

**23<sup>rd</sup>**  
**ANNUAL REPORT**  
**2014 - 2015**

**devki**  
**DEVKI LEASING AND FINANCE LIMITED**

## DEVKI LEASING & FINANCE LIMITED

**MANAGING DIRECTOR** : MR. SUDHIR BINDAL (DIN: 00108548)

**NON EXECUTIVE DIRECTOR** : MRS. SARITA BINDAL (DIN: 02194558)

**INDEPENDENT DIRECTORS** : MR. MANOJ KUMAR SINGH  
(DIN: 01684132 )  
MR. KAMLESH KASLIWAL  
(DIN : 00457056 )

**CHIEF FINANCIAL OFFICER** : MR. MURALIDHARAN PILLAI

**COMPANY SECRETARY** : MS. MONIKA RIZWANI

**AUDITORS** : M/s A.B. DOSHI & CO.  
CHARTERED ACCOUNTANTS  
114, M.T.H. Compound  
Indore (M.P.)

**BANKERS** : DENA BANK, SIYAGANJ BRANCH, INDORE  
HDFC BANK, TRADE HOUSE BRANCH,  
INDORE

**SOLICITORS AND ADVOCATE** : PANKAJ BAGDIA

**REGISTRAR & SHARE TRANSFER AGENT** : LINK INTIME INDIA LIMITED  
C-13, PANNALAL SILK MILLS COMPOUND  
LBS MARG, BHANDUP,  
MUMBAI- 400 078  
Tel: 022- 25946970  
Fax: 022-25946969  
rnthelpdesk@linkintime.co.in

**REGISTERED OFFICE** : "VELOCITY", 18-A SCHEME NO 94C  
RING ROAD  
INDORE-452010  
MADHYA PRADESH  
www.devkileasing.com.  
dlflindore@gmail.com  
Tel: +91-731 4735555 – 69  
Fax: +91-731 4735500  
CIN: L65921MP1993PLC007522

**NOTICE**

NOTICE is hereby given that Twenty Third Annual General Meeting of the Members of the **DEVKI LEASING & FINANCE LIMITED** will be held on Tuesday, **29<sup>th</sup> September, 2015 at 1.30 P.M.** at the registered office of the company at **“Velocity, 18-A Scheme No 94C, Ring Road, Indore** to transact the following business : -

**ORDINARY BUSINESS:**

1. To receive, consider and adopt the audited Balance Sheet as at March 31, 2015, the Statement of Profit & Loss and the Cash Flow Statement for the financial year ended March 31, 2015 and the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Sudhir Bindal (DIN: 00108548), who retires by rotation and being eligible, offers himself for re-appointment.
3. **To ratify the appointment of auditors of the Company and to fix their remuneration and to pass the following resolution as Ordinary Resolution thereof:**  
“**RESOLVED THAT**, pursuant to the provision of section 139, 142 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder, pursuant to the recommendations of the audit committee and pursuant to the resolution passed by the members at the AGM held on 30<sup>th</sup> September, 2014, the appointment of M/s A.B. Doshi & Co, Chartered Accountants (ICAI Firm Registration No. 001577C) as the auditors of the Company to hold office till the conclusion of the AGM to be held in the calendar year 2017 be and is hereby ratified and that the Board of Directors be and is hereby authorized to fix the remuneration payable to them for the financial year ending March 31, 2016 as may be recommended by the audit committee.”

**PLACE :** Indore

**DATE :** 10.08.2015

By order of the Board of Directors

**DEVKI LEASING & FINANCE LIMITED**

**Registered Office:**

Velocity”, 18-A Scheme No 94 C,  
Ring Road, Indore (M.P.) 452010

**MONIKA RIZWANI**  
COMPANY SECRETARY  
(ACS-36102)

**NOTES:**

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES IN ORDER TO EFFECTIVE MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE TIME FIXED FOR THE MEETING.
2. A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
3. Brief details of Directors seeking re-appointment / appointment at the Annual General Meeting scheduled to be held on 29<sup>th</sup> September 2015 (Pursuant to Clause 49 of the Listing Agreement) forms part of the notice.
4. The report on the Corporate Governance and Management Discussion and Analysis also form part to the report of the Directors.
5. The company has notified closure of register of members and share transfer books form Friday, September 25, 2015 to Tuesday, September 29, 2015 (both days inclusive).
6. The Members are requested to:
  - a. Intimate changes, if any, in their registered addresses immediately.
  - b. Quote their ledger folio number in all their correspondence.
  - c. Hand over the enclosed attendance slip, duly signed in accordance with their specimen registered with the Company for admission to the meeting place.
  - d. Bring their Annual Report and Attendance Slips with them at the AGM venue.
7. Members seeking any information are requested to write to the Company by email at [dflindore@gmail.com](mailto:dflindore@gmail.com) at least 7 days before the date of the AGM to enable the management to reply appropriately at the AGM.

8. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
9. Members who hold shares in physical form in multiple folios in identical names or joint holding in same order of names are requested to send the share certificates to M/s Link Intime India Pvt. Ltd., for consolidation into a single folio.
10. Members are requested to notify immediately any change in their address and E – Mail ID to their respective Depository Participants (DPs) in respect of their electronic share accounts and to the Registrar and Share Transfer Agent of the Company at M/s Link Intime India Pvt. Ltd. C-13, Pannalal Silk Mills Compound, LBS Marg, Bhandup, Mumbai (MH).
11. Members holding shares in physical form are requested to consider converting their holding to dematerialized form to eliminate all risks associated with physical shares and for ease in portfolio management. Members may contact the Company or Registrar and Share Transfer Agent of the Company, for assistance in this regard.
12. The Ministry of Corporate Affairs, Government of India (vide its circular nos. 17/2011 and 18/2011 dated April 21, 2011 and April 29, 2011 respectively), has undertaken a 'Green Initiative in Corporate Governance' by allowing paperless compliances and recognizing delivery of Notices / Documents / Annual Reports, etc., to the shareholders through electronic medium. In view of the above the Company will send Notices / Documents / Annual Reports, etc., to the shareholders through email, wherever the email addresses are available; and through other modes of services where email addresses have not been registered. Accordingly, members are requested to support this initiative by registering their email addresses in respect of shares held in dematerialized form with their respective Depository Participants and in respect of shares held in physical form with the Company's Registrar and Transfer Agent, M/s Link Intime India Pvt. Ltd. to enable the Company to send all communications electronically.
13. Members may also note that the Annual Report for FY 2014-15 is also available for downloading on Company's website [www.devkileasing.com](http://www.devkileasing.com)
14. Corporate members intending to send their authorised representatives to attend the Meeting are requested to send to the Company a certified true copy of the Board Resolution authorising their representative to attend and vote on their behalf at the Meeting.
15. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the Company / M/s Link Intime India Pvt. Ltd.
16. Relevant documents referred to in the accompanying Notice are open for inspection by the members at the registered office of the company on all working days, except Saturday, during business hours up to the date of the meeting.
17. **Voting through electronic means**
  - (i) In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Clause 35B of the Listing Agreement, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the ensuing Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by CDSL.
  - (ii) The facility for voting through polling paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through polling paper.
  - (iii) The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
  - (iv) The voting period begins on 26<sup>th</sup> September 2015(9.00 AM) and ends on 28<sup>th</sup> September 2015(5.00 PM) During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 22<sup>nd</sup> September 2015 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
  - (v) **Instructions for the voting through electronic means**
    - a. The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
    - b. Click on Shareholders tab.
    - c. Now Enter your User ID

- a. For CDSL: 16 digits beneficiary ID,
- b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
- c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- d. Next enter the Image Verification as displayed and Click on Login.
- e. If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- f. If you are a first time user follow the steps given below:

<b>For Members holding shares in Demat Form and Physical Form</b>	
PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> <li>• Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number. The sequence number is printed on the address sticker where the Annual Report is sent in physical form and the same is communicated in the e-mail where the Annual Report is sent in an electronic form.</li> </ul>
DOB	<p>Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.</p>
Dividend Bank Details	<p>Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.</p> <ul style="list-style-type: none"> <li>• Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (c).</li> </ul>

- g. Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. 22nd September 2015, may obtain the login ID and password by sending a request to Link Intime India Pvt Ltd at [rnthelpdesk@linkintime.co.in](mailto:rnthelpdesk@linkintime.co.in)
- h. However, if you are already registered with CDSL for remote e-voting then you can use your existing user ID and password for casting your vote. If Demat account holder has forgotten the password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- i. After entering these details appropriately, click on "SUBMIT" tab.
- j. Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- k. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- l. Click on the EVSN for the relevant **DEVKI LEASING AND FINANCE LIMITED** on which you choose to vote
- m. On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- n. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- o. After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

- p. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- q. You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- r. If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- s. **Note for Non – Individual Shareholders and Custodians**
  - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cDSLindia.com](mailto:helpdesk.evoting@cDSLindia.com).
  - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
  - The list of accounts linked in the login should be mailed to [helpdesk.evoting@cDSLindia.com](mailto:helpdesk.evoting@cDSLindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (vi) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cDSLindia.com](mailto:helpdesk.evoting@cDSLindia.com).
- (vii) The voting rights of Shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date i.e. 22nd September 2015.
- (viii) Ms. Shraddha Jain (Membership No. 39488 CP no. 14717), Company Secretary in Practice has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- (ix) At the AGM, at the end of discussion on the resolutions on which voting is to be held, the Chairman shall, with the assistance of Scrutinizer, order voting through poll for all those members who are present at the AGM but have not cast their votes electronically using the remote e-voting facility.
- (x) Immediately after the conclusion of voting at the AGM, the Scrutinizer shall first count the votes cast at the AGM and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company. The Scrutinizer shall prepare a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, not later than three days after the conclusion of the AGM. This report shall be made to the Chairman or any other person authorized by the Chairman, who shall declare the result of the voting forthwith.
- (xi) The voting results declared along with the Scrutinizer's Report shall be placed on the Company's website [www.devkileasing.com](http://www.devkileasing.com) and on the website of CDSL immediately after the declaration of the result by the Chairman or a person authorized by the Chairman. The results shall also be immediately forwarded to BSE Limited.

**DETAILS OF THE DIRECTORS SEEKING APPOINTMENT / RE-APPOINTMENT IN THE ENSUING ANNUAL GENERAL MEETING**

<b>Name of Directors</b>	Mr. Sudhir Bindal
<b>Date of Birth</b>	06.04.1964
<b>Date of Appointment</b>	15.02.1993
<b>Expertise / Experience in specific</b>	Having more than 26 years of experience in handling finance business
<b>Qualification</b>	B.COM, DCMA
<b>No. &amp; % of Equity Shares held</b>	1, 10,400 (3.15%)
<b>List of outside Companydirectorship held</b>	Velocity Private Limited
<b>Chairman / Member of the Committees of the Board of Directors of the Company</b>	<b>Member</b> Stakeholders Relationship Committee
<b>Chairman / Member of the Committees of the Board Directors of other Companies in which he is director</b>	NIL

**PLACE :** Indore

**DATE :** 10.08.2015

By order of the Board of Directors

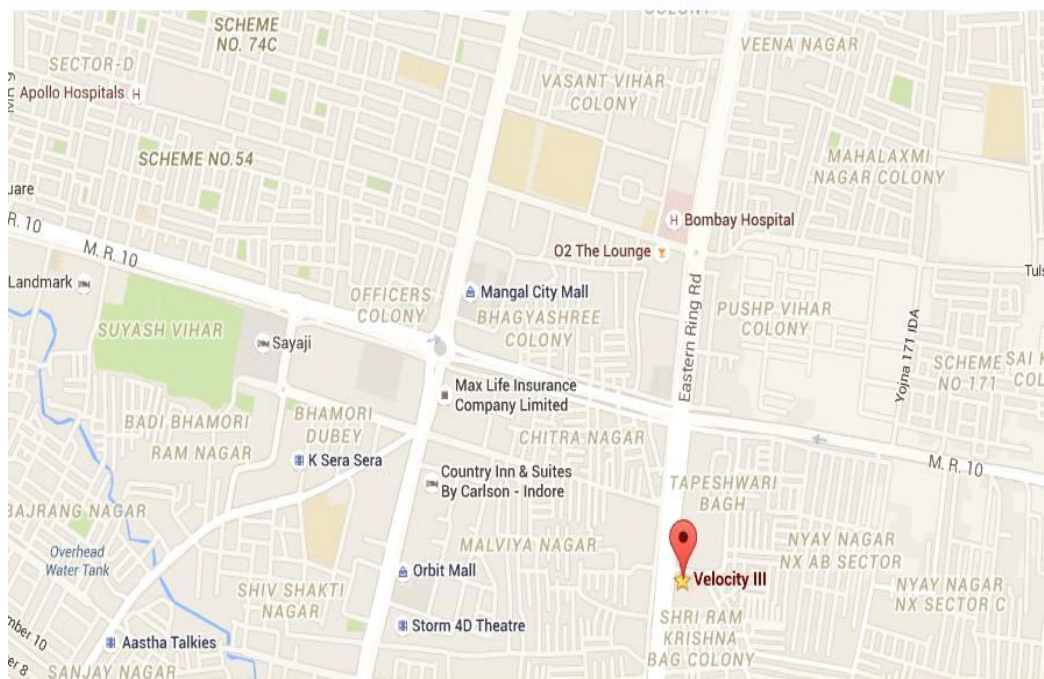
**DEVKI LEASING & FINANCE LIMITED**

**Registered Office:**

Velocity", 18-A Scheme No 94 C,  
Ring Road, Indore (M.P.) 452010

**MONIKA RIZWANI**  
COMPANY SECRETARY  
(ACS-36102)

**Road Map**



## BOARDS' REPORT

To  
The Members of  
**Devki Leasing & Finance Limited,**  
**Indore - 452010**

Your directors are pleased to present the 23<sup>rd</sup> Annual Report together with the Audited financial Statement for the year ended 31<sup>st</sup> March, 2015.

### **1. STATE OF AFFAIRS, FINANCIAL PERFORMANCE AND FUTURE OUTLOOK.**

#### **1. 1 FINANCIAL HIGHLIGHTS AND SUMMARY**

**(Amount in Lacs)**

<b>Particulars</b>	<b>As on 31.03.2015</b>	<b>As on 31.03.2014</b>
<b>Total Income</b>	19.27	7.60
Less : Total Expenditures	40.43	13.09
<b>Profit before Interest, Tax &amp; Depreciation</b>	-21.16	5.49
Less : Financial Charges	-	-
Less : Depreciation	2.88	2.25
<b>Profit before tax</b>	-24.04	-7.74
Less: Provision for tax-		
Current Tax	-	-
Deferred Tax	-1.10	-0.59
<b>Profit/(Loss) after tax</b>	-22.94	-07.15

The company is engaged in non banking finance business. During the financial year company has achieved total income of Rs. 19.27 Lacs in comparison to previous year's total income of Rs. 7.6 Lacs. The overall expense of the Company has also increased from Rs. 13.09 Lacs to Rs. 40.43 Lacs due to Loss on Sale of Stock in Trade and other operational cost which resulted in Net Loss of 22.94 Lacs, as compared to Rs. 07.15 Lacs in the previous year.

#### **1.2 COMPANY'S PERFORMANCE & FUTURE OUTLOOK**

The Non Banking financial Companies (NBFC) sector is still struggling for its growth in India. FY2014-15' has been a tough year for the NBFC sector as the business has greatly suffered in the subdued environment. Due to subdued economic environment, the last two years have been challenging for the NBFC sector with moderation in rate of asset growth, rising delinquencies resulting in higher provisioning thereby impacting profitability.

Due to high and fluctuating interest rate and regular changes in the Monetary Policy by the Reserve Bank of India through the Base Rate, the business of Leasing and Finance has been adversely affected and especially small NBFC Companies are not able to sustain in this competitive world where large amount of Capital is required. Your Directors are continuously striving hard for more avenues in their field for better operational and financial performance in the better interest of all the stakeholders of the Company.

#### **1.3 Change in nature of Business**

Company is engaged in NBFC activities only and during the year there was no change in business activity of the company.

#### **1.4 Changes in Share Capital**

During the Financial Year 2014-15 there was no change in capital structure of the company. The paid up equity capital as on March 31, 2015 was Rs.350.96 Lacs. During the year under review, the company has not issued shares with differential voting rights nor has granted any stock option or sweat equity shares.

#### **1.5 Revision of annual financial statement**

There was no such case of revision in financial statement during the year.

### **2. TRANSFER TO RESERVES:**

The Company has not transferred any sum to Reserve for the financial year ended on 31st March, 2015.



**3. DIVIDEND**

Your directors do not recommend any dividend due to losses in current financial year.

**4. DEPOSITS**

The company being an NBFC, the provisions of Section 73(1) of the Companies Act, 2013 and Companies (Acceptance of Deposits) Rules, 2014 are not applicable to the company. As the Company is a RBI registered Non-Deposit Accepting NBFC, it has not accepted any Public Deposits during the year under review in compliance with RBI Guidelines.

**5. MATERIAL CHANGES AND COMMITMENTS AFTER THE END OF FINANCIAL YEAR**

There are no material changes and commitments affecting financial position of the company which have occurred between the end of the financial year of the company and date of the report.

**6. SUBSIDIARY COMPANY ASSOCIATE COMPANIES OR JOINT VENTURE:**

As on date the Company has no subsidiary Company as the Company has disposed off the shares of its subsidiary company, Devki Cyber Securities Private Limited, on 30.07.2014.

The Company does not have any associate company or any joint venture or Holding company.

**7. EXTRACTS OF ANNUAL RETURN**

Pursuant to sub-section 3(a) of Section 134 and sub-section (3) of Section 92 of the Companies Act 2013, read with Rule 12 of the Companies (Management and Administration) Rules, 2014 the extracts of the Annual Return as at March 31, 2015 forms part of this report as **Annexure I**

**8. NUMBER OF MEETINGS OF THE BOARED**

During the year under review the Board meets five times viz. **May 30, 2014; July 30, 2014; October 30, 2014, January 30, 2015 and March 30, 2015**. The details of the Board meetings and the attendance of Directors are provided in the Corporate Governance Report.

**9. DIRECTORS RESPONSIBILITY STATEMENT**

**In terms of Section 134(3) (c) of the Companies Act, 2013, Your Directors state that:**

- a. In the preparation of the Annual Accounts, the applicable Accounting Standards have been followed along with proper explanation relating to material departures
- b. The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit for the year ended on that period;
- c. The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities.
- d. The Directors have prepared the annual accounts on a going concern basis.
- e. The Directors have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- f. The Directors have devised proper system to ensure compliance with the provisions of all applicable laws and that such system were adequate and operating effectively.

**10. REPORTING OF FRAUD BY STATUTORY AUDITORS**

There was no fraud in the Company; hence no reporting was made by statutory auditors of the Company under sub-section (12) of section 143 of Companies Act, 2013.

**11. APPOINTMENT AND DECLARATION BY INDEPENDENT DIRECTORS**

**11.1 Appointment of independent directors**

At the Annual General Meeting held on 30.09.2014, the members approved the appointment of Mr. Kamlesh Kasliwal and Mr. Manoj Kumar Singh as Independent Directors of the Company for a term of 5 years to hold the office till 31st March, 2019 who are not liable to retire by rotation.

**11.2 Declaration by independent directors**

All Independent Directors of your Company have given a declaration pursuant to Section 149(7) of the Companies Act, 2013 affirming compliance to the criteria of Independence as laid down under Section 149(6) of the Companies Act, 2013 and Clause 49 of the Listing Agreement with stock exchanges.

Based on the declaration(s) of Independent Directors, the Board of Directors recorded its opinion that all Independent Directors are independent of the Management and have fulfilled the conditions as specified in the Companies Act, 2013, rules made thereunder as well as concerning provisions of Clause 49 of the Listing Agreement with stock exchanges.

### **11.3 Meetings of Independent Directors**

During the year under review, a separate meeting of Independent Directors was held on March 30, 2015, inter alia, to discuss:

- evaluation of the performance of Non-Independent Directors and Board of Directors as a whole;
- evaluation of the performance of the Chairman of the Company, taking into account the views of the Executive
- evaluation of the quality, content and timelines of flow of information between the management and the Board that is necessary for the Board to effectively and necessarily perform its duties.

All the Independent Directors were present at the said Meeting.

### **11.4 Familiarization Programme**

The Company shall through its Executive Directors / Senior Managerial Personnel conduct programs / presentations periodically to familiarize the Independent Directors with the strategy, operations and functions of the Company

The details of familiarization programme have been posted in the website of the Company under the web link - <http://www.devkileasing.com/FamiliarisationProgrammeForIndependentDirectors.pdf>

## **12. NOMINATION, REMUNERATION COMMITTEE AND STAKEHOLDERS RELATIONSHIP COMMITTEE**

As per the requirement of Section 178 of the Companies Act, 2013 and clause 49 of listing agreement the Company has constituted Nomination and Remuneration Committee and Stakeholders Relationship Committee. The Composition of the above Committees, their terms are reference detailed in the report of Corporate Governance.

## **13. REMUNERATION POLICY**

Information regarding Directors' Remuneration Policy and criteria for determining qualifications, positive attributes, independence of a director and other matters provided under sub-section (3) of section 178 are given in **Annexure II** forming part of this report.

## **14. AUDITORS**

### **14.1 Statutory Auditor**

At the Annual General Meeting held on 30<sup>th</sup> September 2014, M/s A.B. Doshi & Co, Chartered Accountants (ICAI Firm Registration No. 001577C) were appointed as statutory auditors of the Company to hold office till the conclusion of the Annual General Meeting to be held in the calendar year 2017. In terms of the first proviso to section 139 of the Companies Act, 2013, the appointment of the auditors shall be placed for ratification at every Annual General Meeting. Accordingly, the appointment of M/s A.B. Doshi & Co., as statutory auditors of the Company, is placed for ratification by the shareholders. In this regard, the Company has received a certificate from the auditors to the effect that if they are reappointed, it would be in accordance with the provisions of section 141 of the Companies Act, 2013

#### **Explanation to Auditor's Remark**

The Auditors' Report read with relevant notes are self explanatory, except note no. 25 (b) and note no. 25 (c) of the notes to accounts read with last Para of the Auditors Report.

Note no. 25 (b), specifically relates to retirement benefits as the Company has not provide gratuity, privilege leave and other retirement benefits as the company follows the practice of accounting for the retirement benefits as and when paid. And note no. 25 (c) relates to no provision for interest on the Secured Loan - the Company has not made provision for interest on the Secured Loan given by Dena Bank as the matter is in litigation and the same shall be accounted on the settlement of case.

### **14.2 Secretarial Auditor**

The Board has appointed Mr. Ashish Nayak, Practising Company Secretary, to conduct Secretarial Audit for the financial year 2014-15. The Secretarial Audit Report for the financial year ended March 31, 2015 is annexed herewith marked as **Annexure III** to this Report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

The Board in its meeting held on 10.08.2015 has appointed Ms. Shraddha Jain, Practicing Company Secretary as Secretarial Auditor of the Company to conduct Secretarial Audit for the financial year 2015-16.

#### **14.3 Cost Record and Cost Audit**

Your company does not falls within the provisions of Section 148 of Company's Act, 2013 read with the Companies (Cost records & Audit) Rules, 2014, therefore no such records required to be maintained.

#### **15. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS**

Pursuant to section 186 (11) of the Companies Act, 2013 ('the Act'), the provisions of section 186(4) of the Act requiring disclosure in the financial statement of the full particulars of the loans made and guarantees given or securities provided by a Non-Banking Financial Company in the ordinary course of its business and the purpose for which the loan or guarantee or security is proposed to be utilized by the recipient of the loan or guarantee or security are exempted from disclosure in the Annual Report.

Further, pursuant to the provisions of Section 186 (4) of the Act, the details of investments made by the Company are given in the Notes to the Financial Statement.

#### **16. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES**

All contracts / arrangements / transactions entered by the Company during the financial year with related parties were in the ordinary course of business and on an arm's length basis. During the year, the Company had not entered into any contract / arrangement / transaction with related parties which could be considered material in accordance with the policy of the Company on materiality of related party transactions.

The Policy on materiality of related party transactions and dealing with related party transactions as approved by the Board may be accessed on the Company's website at [www.devkileasing.com](http://www.devkileasing.com)

Suitable disclosures as required under AS-18 have been made in the Notes to the financial statements.

#### **17. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO**

The particulars in respect of conservation of energy, technology absorption and foreign exchange earnings and outgo, as required under sub-section (3) (m) of section 134 of the Companies Act, 2013 read with Rule (8)(3) of the Companies (Accounts) Rules, 2014 are given as under :

##### **(A) Conservation of Energy**

The steps taken or impact on conservation of energy :

(i) The operations of your Company are not energy intensive. However, adequate measures have been initiated to reduce energy consumption.

(ii) The capital investment on energy conservation equipments: Nil

##### **(B) Technology Absorption :**

(i) The efforts made towards technology absorption : Not Applicable.

(ii) The benefits derived like product improvement, cost reduction, product development or import substitution : Not Applicable.

(iii) in case of imported technology (imported during the last three years reckoned from the beginning of the Financial Year): Not Applicable.

(iv) Company has not incurred any expenditure on Research and Development during the year under review.

(C) Further there was neither inflow nor outflow of foreign exchange during the year.

#### **18. RISK MANAGEMENT**

The Company has developed a Risk Management Policy which laid down the procedures to inform to the Board about the risk assessment and minimization procedures. The main aim to develop a risk management policy is to identify, monitor and take precautionary measures in respect of the events that may pose risks for the business.

#### **19. CORPORATE SOCIAL RESPONSIBILITY**

Your company does not meet the requirements of Section 135 of Companies Act, 2013 for establishing Corporate Social responsibility (CSR) committee; therefore no such committee was established by the Board.

#### **20. PERFORMANCE EVALUATION OF THE BOARD**

Pursuant to the provisions section 134 of Companies Act 2013 and Clause 49 of the Listing Agreement, the Board has carried out an annual evaluation of its own performance, performance of the Directors as well as the evaluation of the working of its Committees.

The performance evaluation of the Independent Directors was carried out by the entire Board, excluding the Director being evaluated.

The Nomination and Remuneration Committee has defined the evaluation criteria for the Performance Evaluation process for the Board, its Committees and Director including the Independent Directors

The statement indicating the manner in which formal annual evaluation of the Directors, the Board and Board level Committees are given in detail in the report on Corporate Governance, which forms part of this Annual Report.

**21. DIRECTOR AND KEY MANAGERIAL PERSONNEL**

Mr. Sudhir Bindal, retires by rotation at the forthcoming Annual General Meeting, and being eligible offers himself for re-appointment.

During the year under review, the members approved the appointment of Mr. Manoj Kumar Singh, and Mr. Kamlesh Kasliwal as Independent Director for a term of 5 years to hold the office till 31st March, 2019 who are not liable to retire by rotation. The members have also re-appointed Mr. Sudhir Bindal as Managing Director of the Company for further period of three years.

At the Board Meeting held on 30<sup>th</sup> May 2014 Mr. Muralidharan Pillai appointed as CFO & Ms. Monika Rizwani appointed as company secretary of the Company.

**Disqualifications of Directors**

During the year declarations received from the Directors of the Company pursuant to Section 164 of the Companies Act, 2013. Board appraised the same and found that none of the director is disqualified for holding office as director.

**22. RBI REGULATIONS AND COMPLIANCE**

Your Company continues to carry on its business of Non-Banking Finance Company as a Non-Deposit taking Company. The Company has complied with and continues to comply with all the applicable regulations and directions of the RBI.

**23. CODE OF CONDUCT**

The Company has laid down a code of conduct for all Board members and senior management and independent directors of the Company. All the Board members including independent directors and senior management personnel have affirmed compliance with the code of conduct.

**24. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS**

There are no significant or material orders passed by the Regulators / Courts which would impact the future operations / going concern status of the Company.

**25. INTERNAL FINANCIAL CONTROLS AND ITS ADEQUACY**

The Company has comprehensive and internal financial controls system for all major processes including financial statements to ensure reliability of reporting. The system also helps management to have timely data on various operational parameters for effective review. It also ensures proper safeguarding of assets across the Company and its economical use. The internal financial controls system of the Company is commensurate with the size, scale and complexity of its operations. The system and controls are periodically reviewed and modified based on the requirement.

The internal audit is entrusted to Mr. Muralidharan Pillai CFO of the Company. The main thrust of internal audit is to test and review controls, appraisal of risks and business processes, besides benchmarking controls with best practices in the industry. Based on the audit observations & suggestions, follow up & remedial measures are being taken on a regular basis.

**26. AUDIT COMMITTEE**

The Audit Committee comprises of Mr. Manoj Kumar Singh, Chairman; Mr. Kamlesh Kasliwal and Mrs. Sarita Bindal as members. All the recommendations made by the Audit Committee were accepted by the Board. The details of meeting of Audit Committee held during the year, its composition, terms of reference are given in the Report on Corporate Governance.

**27. WHISTLE BLOWER/VIGIL MECHANISM POLICY**

Your Company has established a Whistle Blower/ Vigil Mechanism Policy to enable Directors and employees of the Company to report unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct. The Policy provides adequate safeguards against victimization of Directors/ employees and direct access to the Chairman of the Audit Committee in exceptional cases.

The Whistle Blower Policy has been disclosed on the Company's at [www.devkileasing.com](http://www.devkileasing.com) and circulated to all the Directors and employees.

**28. COMMISSION RECEIVED BY DIRECTORS FROM HOLDING/SUBSIDIARY:**

As on date the Company has no subsidiary Company as the Company has disposed off the shares of its subsidiary company, Devki Cyber Securities Private Limited, on 30.07.2014. The Company also does not have any Holding company. Hence provisions of section 197 (14) of Companies Act, 2013 are not applicable to the Company.

**29. DISCLOSURE OF RATIO OF REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL, ETC.**

The prescribed particulars of employees required under section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is enclosed as **Annexure IV** and forms the part of this Directors Report.

**30. PARTICULARS OF EMPLOYEES ETC.**

During the year, there was no employee drawing remuneration in excess of Rs. 60, 00,000/- p.a. or Rs. 5,00,000/ - p.m. Accordingly, information required to be given pursuant to provisions of Section 197(12) of the Companies Act, 2013 read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, has not been given here.

**31. VOTING RIGHTS OF EMPLOYEES:**

During the year under review the company has not given loan to any employee for purchase of its own shares as per section 67 (3) (c) of Companies Act, 2013. Therefore the company not required to made disclosure as per rule 6 (4) of Companies (Share Capital and Debentures) Rules, 2014.

**32. DISCLOSURE REGARDING ISSUE OF EMPLOYEE STOCK OPTIONS:**

The Company does not have issued shares under employee's stock options scheme pursuant to provisions of Section Rule 12(9) of Companies (Share Capital and Debenture Rules, 2014).

**33. DISCLOSURE REGARDING ISSUE OF SWEAT EQUITY SHARES:**

The Company does not have issued sweat equity shares pursuant to provisions of Section 54 read with Rule 8 of Companies (Share Capital and Debenture Rules, 2014) during the Financial Year.

**34. CORPORATE GOVERNANCE REPORT**

Report on Corporate Governance as required under the Listing Agreements with the Stock Exchanges along with the certificate of the Auditors, **M/s. A.B. Doshi & Co.**, confirming compliance of conditions of Corporate Governance as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges are attached to this report as **Annexure V**.

**35. MANAGEMENT DISCUSSION AND ANALYSIS STATEMENT**

Management Discussion and Analysis statement as required under the Listing Agreements with the Stock Exchanges are attached to this report as **Annexure – VI**.

**36. LISTING AT STOCK EXCHANGE**

The Equity shares of the Company are listed with BSE Limited, Mumbai and Madhya Pradesh Stock Exchange Limited, Indore.

However Madhya Pradesh Stock Exchange Limited (MPSE) was de- recognized by SEBI vide its exit order no. PR No. 154/2015 dated June 9, 2015.

At present the Equity shares of the company are listed with the BSE Limited and the listing fee for the year 2015-16 has been duly paid.

**37. DEPOSITORY SYSTEM**

Your Company's shares are tradable compulsorily in electronic form and your Company has connectivity with both the Depositories i.e. National Securities Depository Limited (NSDL) and Central Depository Service (India) Limited (CDSL). In view of the numerous advantage offered by the Depository System, members are requested to avail of the facility of Dematerialization of the Company's shares on either of the Depositories mentioned as aforesaid.

**38. ENVIRONMENT AND SAFETY**

The Company is conscious of the importance of environmentally clean and safe operations. The Company's policy required conduct of operations in such a manner, so as to ensure safety of all concerned, compliances environmental regulations and preservation of natural resources.

**39. DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013**

The Company has zero tolerance for sexual harassment at workplace and has adopted a Policy on Prevention, Prohibition and Redressal of Sexual Harassment at the Workplace, in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules made there under. The Policy aims to provide protection to employees at the workplace and prevent and redress complaints of sexual harassment and for matters connected or incidental thereto, with the objective of providing a safe working environment, where employees feel secure.

It may be noted that during the year 2014-15, no grievance / complaint from any women employee was reported.

**40. INDUSTRIAL RELATIONS:**

Company's Industrial relations continued to be healthy, cordial and harmonious during the period under review.

**41. ACKNOWLEDGEMENTS**

Your Directors place on record their gratitude to all the Government and Semi Government Departments and Company's Bankers, for the assistance and co-operation and encouragement they extended to the Company. Your Directors also wish to place on record their sincere thanks and appreciation for the continuing support and unstinting efforts of Customer, Vendors Employees and all other Stakeholders in ensuring an excellent all around operational performance.

For and on behalf of the Board of Directors  
**DEVKI LEASING & FINANCE LIMITED**

**PLACE:** Indore  
**DATE:** 10.08.2015

**SUDHIR BINDAL**  
**CHAIRMAN OF THE MEETING**

**Registered Office:**  
"Velocity", 18-A Scheme No 94 C,  
Ring Road, Indore (M.P.) 452010

**Annexure I  
FORM NO. MGT 9  
EXTRACT OF ANNUAL RETURN**

As on financial year ended on 31.03.2015  
Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company  
(Management & Administration) Rules, 2014

**I REGISTRATION & OTHER DETAILS:-**

1	CIN	L65921MP1993PLC007522
2	Registration Date	15.02.1993
3	Name of the Company	Devki Leasing & Finance Limited
4	Category/Sub-category of the Company	Public Company / Limited by shares
5	Address of the Registered office & contact details	"Velocity", 18-A Scheme No 94C, Ring Road, Indore (M.P.) 452010 Tel: +91-731 4735555 – 69
6	Whether listed company	Yes
7	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Link Intime India Pvt Ltd. C-13, Pannalala Silk Mills Compound, LBS Marg, Bhandup, Mumbai (M.H.) 400078, Ph. 98211 – 66832

**II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY (All the business activities contributing 10 % or more of the total turnover of the company shall be stated)**

S. No	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
	Sale of Equity Share	N.A	63.24
	Interest on Advances/deposit		10.40
	Interest on Vehicle Loan		12.94
	Other Financial Activities		13.42
	<b>Total</b>		<b>100%</b>

**III PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -**

S. No	Name and Address of the company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares Held	Applicable section
	NA				

**IV SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)**

**A) Category-wise Share Holding**

Category of Shareholders	No. of Shares held at the beginning of the year[As on 1- 04-2014]				No. of Shares held at the end of the year[As on 31-03-2015]				%Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
<b>1 Indian</b>									
a) Individual/ HUF	1059332	205400	1264732	36.04	1061032	205400	1266432	36.08	0.05
b) Central Govt	0	0	0	0	0	0	0	0	0
c) State Govt(s)	0	0	0	0	0	0	0	0	0
d) Bodies Corp.	20013	66500	86513	2.5	19813	66500	86313	2.46	-0.01
e) Banks / FI	0	0	0	0	0	0	0	0	0
f) Any other	0	0	0	0	0	0	0	0	0
<b>Total share-holding of Promoter (A)(2):-</b>	<b>1079345</b>	<b>271900</b>	<b>1351245</b>	<b>38.50</b>	<b>1080845</b>	<b>271900</b>	<b>1352745</b>	<b>38.54</b>	<b>0.04</b>

Category of Shareholders	No. of Shares held at the beginning of the year[As on 1- 04-2014]				No. of Shares held at the end of the year[As on 31-03-2015]				%Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>2 Foreign</b>									
a) NRIs -	0	0	0	0	0	0	0	0	0
Individuals	0	0	0	0	0	0	0	0	0
b) Other –Individuals	0	0	0	0	0	0	0	0	0
c) Bodies Corp.	0	0	0	0	0	0	0	0	0
d) Banks / FI	0	0	0	0	0	0	0	0	0
e) Any Other	0	0	0	0	0	0	0	0	0
Sub-total (A) (2):-	0	0	0	0	0	0	0	0	0
<b>Total shareholding of Promoter (A) = (A)(1)+(A)(2)</b>	<b>1079345</b>	<b>271900</b>	<b>1351245</b>	<b>38.50</b>	<b>1080845</b>	<b>271900</b>	<b>1352745</b>	<b>38.54</b>	<b>0.04</b>
<b>B. Public Shareholding</b>									
1 Institutions	0	0	0	0	0	0	0	0	0
a) Mutual Funds	0	0	0	0	0	0	0	0	0
b) Banks / FI	0	0	0	0	0	0	0	0	0
c) Central Govt	0	0	0	0	0	0	0	0	0
d) State Govt(s)	0	0	0	0	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0
g) FIs	0	0	0	0	0	0	0	0	0
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
i) Others (specify)	0	0	0	0	0	0	0	0	0
<b>Sub-total (B)(1):-</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>2 Non-Institutions</b>									
a) Bodies Corp.	232907	117400	350307	9.99	224081	117400	341481	9.73	-0.25
i) Indian	0	0	0	0	0	0	0	0	0
ii) Overseas	0	0	0	0	0	0	0	0	0
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	565353	530120	1095473	31.21	575569	527720	1103289	31.45	0.22
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	167732	537300	705032	20.09	168895	537300	706195	20.12	0.03
c) Others (specify)									
NRI	3200	2000	5200	0.13	3200	2000	5200	0.13	0
Overseas Cor.Bodies	0	0	0	0	0	0	0	0	0
Foreign Nationals	0	0	0	0	0	0	0	0	0
Market maker	1642	0	1642	0.05	200	0	200	0.01	-0.04
Clearing Members	701	0	701	0.02	490	0	490	0.01	-0.01
Trusts	0	0	0	0	0	0	0	0	0
Foreign Bodies-D R	0	0	0	0	0	0	0	0	0
<b>Sub-total (B)(2):-</b>	<b>971535</b>	<b>1186820</b>	<b>2158355</b>	<b>61.5</b>	<b>972435</b>	<b>1184420</b>	<b>2156855</b>	<b>61.46</b>	<b>-0.04</b>
<b>Total Public Share holding (B)=(B)(1)+(B)(2)</b>	<b>971535</b>	<b>1186820</b>	<b>2158355</b>	<b>61.5</b>	<b>972435</b>	<b>1184420</b>	<b>2156855</b>	<b>61.46</b>	<b>-0.04</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Grand Total (A+B+C)</b>	<b>2050880</b>	<b>1458720</b>	<b>3509600</b>	<b>100</b>	<b>2053280</b>	<b>1456320</b>	<b>3509600</b>	<b>100</b>	<b>0</b>



## Devki Leasing and Finance Ltd. Annual Report 2014 - 2015

### B) Shareholding of Promoter-

SN	Shareholder's Name	Shareholding at the beginning of the year (As on 01-04-2014)			Shareholding at the end of the year (As on 31-03-2015)			
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	% change in shareholding during the year
1	Sudhir Bindal	110400	3.14	-	110400	3.14	-	-
2	Yashveer Bindal	134900	3.84	-	135100	3.85	-	0.001
3	Bharat Bindal	139900	3.98	-	139900	3.98	-	-
4	Barmanand Bindal	157111	4.47	-	157111	4.47	-	-
5	Sarita Bindal	127362	3.62	-	127362	3.62	-	-
6	Anju Bindal	136291	3.88	-	136291	3.88	-	-
7	Shweta Bindal	102668	2.93	-	104168	2.96	-	0.04
8	Devki Rani Bindal	82100	2.34	-	82100	2.34	-	-
9	P.J. Credit Capital Ltd	50000	1.42	-	50000	1.42	-	-
10	Bajranglal D Bajaj	45000	1.28	-	45000	1.28	-	-
11	B N Bindal	28500	0.81	-	28500	0.81	-	-
12	Manoj kumar B.Bajaj	27900	0.79	-	27900	0.79	-	-
13	Sushila Devi Bajaj	25000	0.71	-	25000	0.71	-	-
14	Sauhard Bindal	21600	0.61	-	21600	0.61	-	-
15	Bajranglal D.Bajaj	20000	0.56	-	20000	0.56	-	-
16	Bajranglal D.Bajaj	20000	0.56	-	20000	0.56	-	-
17	Brahma Builders Private Ltd	19813	0.56	-	19813	0.56	-	-
18	Ravindrakumar B.Bajaj	15000	0.42	-	15000	0.42	-	-
19	Manoj Kumar B.Bajaj	10000	0.28	-	10000	0.28	-	-
20	Premlata Indersingh	10000	0.28	-	10000	0.2849	-	-
21	Yashveer Bindal	10000	0.28	-	10000	0.2849	-	-
22	Brahma Builders Limited	9300	0.26	-	9300	0.265	-	-
23	Sudhir Bindal	8500	0.24	-	8500	0.2422	-	-
24	Brahma Interactive Limited	7200	0.20	-	7200	0.2052	-	-
25	S.B.Bajaj Huf	7000	0.19	-	7000	0.1995	-	-
26	Master Yash R.Bajaj	6000	0.17	-	6000	0.171	-	-
27	Rajesh Bindal Family Welfare Trust	5000	0.14	-	5000	0.1425	-	-
28	Rajesh Bindal Family Welfare Trust	4000	0.11	-	4000	0.114	-	-
29	Kamlesh Kasliwal	3500	0.09	-	3500	0.0997	-	-
30	Ravindra Kumar Manoj	2000	0.05	-	2000	0.057	-	-
31	Master Harsh Sanjiv Kumar	1500	0.04	-	1500	0.0427	-	-
32	Master Raj Ravindra Kumar Bajaj	1400	0.03	-	1400	0.0399	-	-
33	B.L.Manoj Kumar Huf	700	0.01	-	700	0.0199	-	-
34	B.Sanjiv Kumar Huf	700	0.01	-	700	0.0199	-	-
35	Bajranglal & Sons Huf	700	0.01	-	700	0.0199	-	-
	<b>Total</b>	<b>1351245</b>	<b>38.50</b>		<b>1352745</b>	<b>38.54</b>		<b>0.04</b>

### C) Change in Promoters' Shareholding (please specify, if there is no change)

SN	Particulars	Shareholding at the beginning of the year (As on 01-04-2014)		Cumulative Shareholding during the year (01-04-2014 to 31-03-2015)	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	1351245	38.50	-	-
	Yashveer Bindal				
	Market Purchase on 19/09/2014	200	0.001	-	-
	Shweta Bindal				
	Market Purchase on 07/11/2014	1500	0.04	1352745	38.54
	At the end of the year	-	-	1352745	38.54

## Devki Leasing and Finance Ltd. Annual Report 2014 - 2015

### D) Shareholding Pattern of top ten Shareholders: (Other than Directors, Promoters and Holders of GDRs and ADRs):

Sl. No	Name (For Each of the Top 10 Shareholders)	Shareholding				Cumulative Shareholding during the year (01-04-14 to 31-03-15)		
		No. of Shares at the beginning (01-04-14) / end of the year (31-03-15)	% of total shares of the Company	Date	Increase/ Decrease in shareholding	Reason	No. of Shares	% of total shares of the Company
1	Jupiter Securities And Properties Pvt Ltd	180900	5.15	—	NIL	—	180900	5.15
2	Ashish Garg	108900	3.1	—	NIL	—	108900	3.1
3	Sanjay Jain	108900	3.1	—	NIL	—	108900	3.1
4	Millennium Cybertech Limited	108000	3.0	—	NIL	—	108000	3.0
5	Manish Kumar Anasune	54500	1.6	—	NIL	—	54500	1.6
6	Nilesh Kumar Khade	54500	1.6	—	NIL	—	54500	1.6
7	Pawn Sinha	54500	1.6	—	NIL	—	54500	1.6
8	Abhishek Ghosh	52700	1.5	—	NIL	—	52700	1.5
9	Manoj Diwar	44100	1.2	—	NIL	—	44100	1.2
10	Rais khan	37700	1.0	—	NIL	—	37700	1.0

### E) Shareholding of Directors and Key Managerial Personnel:

Sl. No.	Name (For Each of the Top 10 Shareholders)	Shareholding					Cumulative Shareholding during the year (01-04-14 to 31-03-15)	
		No. of Shares at the beginning (01-04-14)/ end of the year (31-03-15)	% of total shares of Company	Date	Increase/ Decrease in shareholding	Reason	No. of Shares	% of total shares of Company
<b>A. DIRECTORS</b>								
1	Sudhir Bindal- Chairman	110400	3.15	01-Apr-14	0	Nil movement during the year	110400	3.15
		110400	3.15	31-Mar-15			110400	3.15
2	Sarita Bindal- Non Executive Director*	127362	3.63	01-Apr-14	0	Nil movement during the year	127362	3.63
		127362	3.63	31-Mar-15			127362	3.63
3	Manoj Kumar Singh- Independent Director	0	0	01-Apr-14	0	Nil Holding/ movement during the year	0	0
		0	0	31-Mar-15			0	0
4	Kamlesh Kasiwal- Independent Director	3500	0.1	01-Apr-14	0	Nil movement during the year	3500	0.1
		3500	0.1	31-Mar-15			3500	0.1
5	Rajesh Khandelwal - Independent Director*	0	0	01-Apr-14	0	Nil movement during the year	0	0
		0	0	31-Mar-15			0	0
<b>KEY MANAGEMENT PRSONNEL</b>								
1	Muralidharan Pillai- CFO	0	0	01-Apr-14	-	Nil Holding/ movement during the year	0	0
		0	0	31-Mar-15			0	0
2	Monika Rizwani- CS	0	0	01-Apr-14	0	Nil Holding/ movement during the year	0	0
		0	0	31-Mar-15			0	0

\* Mr. Rajesh Khandelwal has resigned from the directorship w.e.f 30.07.2014 and Mrs. Sarita Bindal has joined the directorship w.e.f. 30.07.2014

## ≡ Devki Leasing and Finance Ltd. ≡≡≡≡≡≡≡≡≡ Annual Report 2014 - 2015 ≡≡≡≡≡≡≡≡≡

### V INDEBTEDNESS – Indebtedness of the Company including interest outstanding/accrued but not due for payment.

SN	Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
	<b>Indebtedness at the beginning of the financial year (01.04.2014)</b>				
i)	Principal & Interest (NPA)	26284879.07	-	-	26284879.07
ii)	Interest due but not paid	-	-	-	-
iii)	Interest accrued but not due	-	-	-	-
	<b>Total (i+ii+iii)</b>	26284879.07	-	-	26284879.07
	<b>Change in Indebtedness during the financial year</b>				
	* Addition	-	-	-	-
	* Reduction	-	-	-	-
	<b>Net Change</b>	-	-	-	-
	<b>Indebtedness at the end of the financial year (31.03.2015)</b>				
i)	Principal Amount	26284879.07	-	-	26284879.07
ii)	Interest due but not paid	-	-	-	-
iii)	Interest accrued but not due	-	-	-	-
	<b>Total (i+ii+iii)</b>	26284879.07	-	-	26284879.07

### VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

#### A Remuneration to Managing Director, Whole-time Directors and/or Manager:

SN.	Particulars of Remuneration	Name of MD/WTD/ Manager	Total Amount
		<b>Mr. Sudhir Bindal</b>	
1	<b>Gross salary</b>		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	372000	372000
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-
2	<b>Stock Option</b>	-	-
3	<b>Sweat Equity</b>	-	-
4	<b>Commission</b>		
	- as % of profit	-	-
	- others, specify...	-	-
5	<b>Others, please specify</b>	-	-
	<b>Total (A)</b>	372000	372000
	<b>Ceiling as per the Act</b>	<b>As per Schedule V of the Companies Act, 2013</b>	

#### B Remuneration to other directors

SN.	Particulars of Remuneration	Name of Directors		Total Amount
1	<b>Independent Directors</b>	Mr. Manoj Kumar Singh	Mr. Kamlesh Kasliwal	
	Fee for attending board committee meetings	-	-	-
	Commission	-	-	-
	Others, please specify	-	-	-
	<b>Total (1)</b>	-	-	-
2	<b>Other Non-Executive Directors Fee for attending board committee meetings</b>	-	-	-
	Commission	-	-	-
	Others, please specify	-	-	-
	<b>Total (2)</b>	-	-	-
	<b>Total (B)=(1+2)</b>	-	-	-
	<b>Total Managerial Remuneration Overall Ceiling as per the Act</b>	-	-	-

C Remuneration to Key Managerial Personnel Other than MD/ Manager/WTD

SN.	Particulars of Remuneration	Key Managerial Personnel		
		CS	CFO	Total Amount
1	Gross salary	Ms. Monika Rizwani	Mr. Muralidharan Pillai	
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	125000	418000	543000
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-
2	Stock Option			
3	Sweat Equity			
4	Commission			
	- as % of profit	-	-	-
	- others, specify...	-	-	-
5	Others, please specify	-	-	-
	<b>Total (A)</b>	<b>125000</b>	<b>418000</b>	<b>543000</b>

\* Ms. Monika Rizwani has joined the Company w.e.f 05.06.2014; hence, the remuneration is shown for 10 months

VI PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES: There were no Penalties/ Punishment/ Compounding of Offences for the year ended 31<sup>st</sup> March 2015.

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
<b>A. COMPANY</b>					
Penalty					
Punishment					
Compounding					
<b>B. DIRECTORS</b>					
Penalty					
Punishment					
Compounding					
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty					
Punishment					
Compounding					

NIL

**ANNEXURE - II**  
**NOMINATION AND REMUNERATION POLICY**

This Nomination and Remuneration Policy is being formulated in compliance with Section 178 of the Companies Act, 2013 read along with the applicable rules thereto and Clause 49 of the Listing Agreement, as amended from time to time. This policy on nomination and remuneration of Directors, Key Managerial Personnel and Senior Management has been formulated by the Nomination and Remuneration Committee (NRC or the Committee) and has been approved by the Board of Directors.

**Objectives of the Committee:**

The Committee shall:

- i. Formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the remuneration of Directors, key managerial personnel and other employees;
- ii. Formulation of criteria for evaluation of Independent Director and the Board;
- iii. Devising a policy on Board diversity;
- iv. Identify persons who are qualified to become Director and persons who may be appointed in Key Managerial and Senior Management positions in accordance with the criteria laid down in this policy;
- v. Recommend to the Board, appointment and removal of Director, KMP and Senior Management Personnel.

**Definitions:**

- **"Board"**:-Board means Board of Directors of the Company.
- **"Director"**:-Directors means Directors of the Company.
- **"Committee"**:-Committee means Nomination and Remuneration Committee of the Company as constituted or reconstituted by the Board, from time to time.
- **"Company"**:- Company means Devki Leasing & Finance Limited.
- **"Key Managerial Personnel"**:- Key Managerial Personnel (KMP) means-
  - o Managing Director, or Chief Executive Officer or Manager and in their absence, a Whole-Time Director;
  - o Company Secretary; and
  - o Chief Financial Officer
- **"Independent Director"**:- As provided under clause 49 of the Listing Agreement and/or under the Companies Act, 2013, 'Independent director' shall mean a non-executive director, other than a nominee director of the company:
  - a. who, in the opinion of the Board, is a person of integrity and possesses relevant expertise and experience;
  - b. (i) who is or was not a promoter of the company or its holding, subsidiary or associate company;  
(ii) who is not related to promoters or directors in the company, its holding, subsidiary or associate company;
  - c. apart from receiving director's remuneration, has or had no material pecuniary relationship with the company, its holding, subsidiary or associate company, or their promoters, or directors, during the two immediately preceding financial years or during the current financial year;
  - d. none of whose relatives has or had pecuniary relationship or transaction with the company, its holding, subsidiary or associate company, or their promoters, or directors, amounting to two per cent. or more of its gross turnover or total income or fifty lakh rupees or such higher amount as may be prescribed, whichever is lower, during the two immediately preceding financial years or during the current financial year;
  - e. who, neither himself nor any of his relatives —
    - i. holds or has held the position of a key managerial personnel or is or has been employee of the company or its holding, subsidiary or associate company in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed;
    - ii. is or has been an employee or proprietor or a partner, in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed, of —

- a) a firm of auditors or company secretaries in practice or cost auditors of the company or its holding, subsidiary or associate company; or
  - b) any legal or a consulting firm that has or had any transaction with the company, its holding, subsidiary or associate company amounting to ten per cent or more of the gross turnover of such firm;
  - iii. holds together with his relatives two per cent or more of the total voting power of the company; or
  - iv. is a Chief Executive or director, by whatever name called, of any non-profit organization that receives twenty-five per cent or more of its receipts from the company, any of its promoters, directors or its holding, subsidiary or associate company or that holds two per cent or more of the total voting power of the company;
  - v. is a material supplier, service provider or customer or a lessor or lessee of the company;
  - f. who is less than 21 years of age.
- **"Senior Management"**:- The expression "senior management" means personnel of the company who are members of its core management team excluding Board of Directors comprising all members of management one level below the executive directors, including the functional heads.

Unless the context otherwise requires, words and expressions used in this policy and not defined herein but defined in the Companies Act, 2013 as may be amended from time to time shall have the meaning respectively assigned to them therein.

**Applicability:-**

The Policy is applicable to

- Directors (Executive and Non Executive)
- Key Managerial Personnel
- Senior Management Personnel

**Constitution of the Nomination and Remuneration Committee:**

The Board has the power to constitute/ reconstitute the Committee from time to time in order to make it consistent with the Company's policy and applicable statutory requirement.

**General Appointment Criteria:**

- i. The Committee shall consider the ethical standards of integrity and probity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and accordingly recommend to the Board his / her appointment.
- ii. The Company should ensure that the person so appointed as Director/ Independent Director/ KMP/ Senior Management Personnel shall not be disqualified under the Companies Act, 2013, rules made thereunder, Listing Agreement or any other enactment for the time being in force.
- iii. The Director/ Independent Director/ KMP/ Senior Management Personnel shall be appointed as per the procedure laid down under the provisions of the Companies Act, 2013, rules made thereunder, Listing Agreement or any other enactment for the time being in force.

**Additional Criteria for Appointment of Independent Directors:**

The Committee shall consider qualifications for Independent Directors as mentioned in herein earlier under the head 'Definitions' and also their appointment shall be governed as per the provisions of clause 49 of the Listing Agreement (as amended from time to time ) and Companies Act, 2013.

**Term / Tenure:**

The Term / Tenure of the Directors shall be governed as per provisions of the clause 49 of Listing Agreement, Companies Act, 2013 and rules made there under as amended from time to time.

**Removal:**

Due to reasons for any disqualification mentioned in the Companies Act, 2013, rules made thereunder or under any other applicable Act, rules and regulations or any other reasonable ground, the Committee may recommend to the Board for removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the said Act, rules and regulations.

**Policy on Board diversity:**

The Board of Directors shall have the optimum combination of Directors from the different areas / fields like production, Management, Quality Assurance, Finance, Sales and Marketing, Supply Chain, Research and Development, Human Resources etc. or as may be considered appropriate.

**Remuneration:**

The Committee will recommend the remuneration to be paid to the Managing Director, Whole-time Director, KMP and Senior Management Personnel to the Board for their approval.

The remuneration so determined by the Committee shall be reasonable and sufficient to attract, retain and motivate directors, Key Managerial Personnel and Senior Management of the quality required to run the company successfully. The relationship of remuneration to performance should be clear and meet appropriate performance benchmarks.

The remuneration should also involve a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals:

**1. Non-Executive Directors**

The Company is not paying any remuneration to the Non-Executive /Independent Directors.

**2. Managing Director & Key Managerial Personnel & Other Employees**

The objective of the policy is directed towards having a compensation philosophy and structure that will reward and retain talent. The Remuneration Policy of the Company for Director & Key managerial personnel is primarily based on the following criteria:

- Overall Performance of the Company, its divisions and units
- Track record, potential and performance capacity and capability of individual.

The Remuneration to others will be such as to ensure that the relationship of remuneration to performance is clear and meets appropriate performance benchmarks.

Remuneration to Directors, Key Managerial Personnel and Senior Management will involve a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals.

**Amendment**

Any change in the Policy shall, on recommendation of Nominations and Remuneration Committee, be approved by the Board of Directors of the Company. The Board of Directors shall have the right to withdraw and / or amend any part of this Policy or the entire Policy, at any time, as it deems fit, or from time to time, and the decision of the Board in this respect shall be final and binding.

**Annexure III**

**Form No. MR-3**

**SECRETARIAL AUDIT REPORT**

**FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2015**

***[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]***

**To,  
The Members,  
Devki Leasing & Finance Limited,  
"Velocity", 18-A Scheme No 94 C,  
Ring Road, (M.P.) 452010**

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Devki Leasing & Finance Limited (hereinafter called the company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31<sup>st</sup> March 2015, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance- mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by Devki Leasing & Finance Limited ("the Company") for the financial year ended on 31<sup>st</sup> March, 2015 according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made thereunder;(in so far as they are made applicable)
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; which is not applicable to the Company
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 and any amendments thereto;
  - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; which is not applicable to the Company
  - d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; which is not applicable to the Company
  - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; which is not applicable to the Company
  - f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and which is not applicable to the Company during the Audit Period and
  - h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; which is not applicable to the Company during the Audit Period and



- vi. RBI Act, 1934 to the extent of (Non-Banking Financial (Non-deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007).

I have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India. (Not notified hence not applicable to the company during the audit period)
- (ii) The Listing Agreements entered into by the Company with BSE Limited

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

**I further report that**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of Board of Directors that took place during the period under review were carried out in compliance with the provision of the Act.

Adequate notice is given to all the directors to schedule the Board meeting, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board Meeting and Committee(s) Meetings are carried through unanimously as recorded in the meetings of the Board and committee(s) if the Board, as the case may be.

**I further report that** there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

PLACE: Indore

DATE: 10.08.2015

ASHISH NAYAK  
COMPANY SECRETARY  
A.C.S No. 36967  
C.P. No. 14141

**ANNEXURE – IV**

**DETAILS PERTAINING TO REMUNERATION AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014**

(i) The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2014-15, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2014-15 and the comparison of remuneration of each key Managerial Personnel (KMP) against the performance of the Company are as under:

S N	Name of Director/ KMP and Designation	Designation	Remuneration of Director/ KMP for financial year 2014-15	% increase in Remuneration in the Financial Year 2014-15	Ratio of Remuneration of each Director to median remuneration of employees	Comparison of the Remuneration of the KMP against the performance of the Company
1.	Mr. Sudhir Bindal	Managing Director	Rs. 372000/- pa	—	N.A	Profit after tax decreased by 220.58% for the financial year 2014-15.
2.	Mrs. Sarita Bindal	Non-Executive Promoter Director	—	—	N.A	
3.	Mr. Manoj Kumar Singh	Independent Director	—	—	N.A	
4.	Mr. Kamlesh Kasliwal	Independent Director	—	—	N.A	
5.	Mr. Muralidharan Pillai	Chief Financial Officer	Rs. 418000/-pa	2.45%	N.A	Profit after tax decreased by 220.58% for the financial year 2014-15.
6.	Ms. Monika Rizwani	Company Secretary	Rs. 125000/- p.a	—	N.A	

**Note:**

-The Company is presently working with four Directors, one CFO and one CS. There are no other employees in the company.

-Ms. Monika Rizwani has joined the Company w.e.f 05.06.2014, hence, the remuneration is shown for 10 months.

- (ii) The percentage increase in the median remuneration of employees in the financial year- N.A.
- (iii) The number of permanent employees on the rolls of Company as on March 31, 2015- N.A
- (iv) The explanation on the relationship between average increase in remuneration and Company performance – N.A.
- (v) Comparison of Remuneration of the Key Managerial Personnel(s) against the performance of the company: The total remuneration of Key Managerial Personnel increased by 2.45% whereas the Profit after tax decreased by 220.58% for the financial year 2014-15 (In the financial year 2014-15 the net loss of the company increased from Rs.7.15 Lacs to Rs.22.94 lacs).
- (vi) Variations in the market capitalization of the Company, price earnings ratio as at the closing date of the current financial year and previous financial year

Particulars	31.03.2015	31.03.2014
Market Capitalization	8072080	4983632
Price Earnings Ratio	-3.54	7.10

- (vii) Percentage increase over decrease in the market quotations of the shares of the Company in comparison to the rate at which the Company came out with the last public offer:

<b>Particulars</b>	<b>March 31, 2015</b>	<b>IPO*</b>	<b>% Change</b>
Market Price (BSE)	2.3	Rs.10/-	-77%

% decrease in Shares Price over last public offer:- -77%

- (viii) Average percentile increase made in the salaries of employees other than the managerial personnel in the last financial year i.e. 2014-15 - NA whereas the increase in the managerial remuneration for the same financial year was 2.45%. There are no exceptional circumstances for increase in the managerial remuneration.
- (ix) The key parameters for any variable component of remuneration availed by the directors are approved by the Board of Directors based on the recommendation of Nomination & Remuneration Committee.
- (x) The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year- Not Applicable; and
- (xi) It is hereby affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.

**Annexure – V**  
**CORPORATE GOVERNANCE REPORT 2014-15**

**(Forming part of the Directors’ Report of Devki Leasing & Finance Limited, Indore)**

Effective corporate governance practices constitute the foundations on which successful commercial enterprises are built to last. These practices are categorized through principle based standards and not just through a framework enforced by regulation. It develops through adoption of ethical practices in all of its dealings with a wide group of stakeholders encompassing regulators, employees, shareholders, customers and vendors.

The Company believes that sound Corporate Governance is critical for enhancing and retaining investor trust and your Company always seeks to ensure that its performance goals are met with integrity. The Company has always worked towards building trust with shareholders, employees, customers, suppliers and other stakeholders based on the principles of good corporate.

**1. COMPANY’S PHILOSOPHY**

The Company’s Philosophy on Corporate Governance envisages working towards high levels of transparency, accountability and responsibility, fairness, consistent value systems, delegation, across all facts of its operations leading to sharply focused and operationally efficient growth. The Company tries to work by these principles in all its interactions with stakeholders, including shareholders, employees, customers, suppliers and statutory authorities. The Company is committed to learn and adopt the best practices of corporate governance.

**2. MD /CFO CERTIFICATION**

In terms of Clause 49 of the Listing Agreement, the certification by the Managing Director and Chief Financial officer on the financial statements and internal controls relating to financial reporting has been obtained.

**3. BOARD OF DIRECTORS**

**a) Composition**

The Board of Directors of the company consists of eminent persons with considerable professional expertise and experience of trade, commerce, profession and industry. The Board has a optimum combination of executive & non executive director. The present composition is one executive director in whole time employment of the company, one non executive promoter director and two independent professional Directors.

**b) Board Procedure**

The Board meets at least once in a quarter to review the overall business operations including to consider the business which are related to formulation and execution of policies relating to production, finance, marketing, personnel, materials and general administration. Notice and agenda papers are sent to the directors in advance. The maximum gap between any two Board meetings was less than One Hundred and Twenty days. The Board met five times during the year under review and the dates on which the said meetings were held are as follows:

***May 30, 2014; July 30, 2014; October 30, 2014, January 30, 2015 and March 30, 2015***

**c) Board Category, Directors Attendance and their other directorship, Committee position & their Shareholding as on March 31, 2015**

Name of the Director	Category	Attendance at Board Meeting	Attendance at AGM	No of Directorship (including this companies)		No. of Committee Chairmanship/member-ship in other Companies		Shareholding of Non Executive Directors
				Chairman	Member	Chairman	Member	
1. Mr. Sudhir Bindal (DIN: 00108548)	Managing Director	5	Yes	1	2	-	1	Nil
2. Mr. Manoj K Singh (DIN: 01684132)	Independent Non-Executive	5	Yes	-	2	3	-	Nil
3. Mr. Kamlesh Kasliwal (DIN: 00457056)	Independent Non-Executive	5	Yes	-	3	-	2	3500
*4. Mr. Rajesh Khandelwal (DIN: 02770532)	Independent Non-Executive	1	NA	-	-	-	-	Nil
*5. Mrs. Sarita Bindal (DIN: 02194558)	Non-Executive Promoter Director	3	Yes	-	1	-	1	127362

\*Mr. Rajesh Khandelwal has resigned and Mrs. Sarita Bindal has joined the Board of the Company w.e.f. 30.07.2014.

**b) Inter-se relationship among directors**

Smt. Sarita Bindal is the spouse of Shri Sudhir Bindal.

**c) Independent Directors Meeting**

During the year under review, a separate meeting of Independent Directors was held on March 30, 2015, interalia, to discuss:

- evaluation of the performance of Non-Independent Directors and Board of Directors as a whole;
  - evaluation of the performance of the Chairman of the Company, taking into account the views of the Executive
  - evaluation of the quality, content and timelines of flow of information between the management and the Board that is necessary for the Board to effectively and necessarily perform its duties.
- All the Independent Directors were present at the said Meeting.

**4. CODE OF CONDUCT**

Revised clause 49 of the Listing Agreement requires listed companies to lay down a code of conduct for its directors and senior management, incorporating duties of directors as laid down in the Companies Act, 2013. As required under the revised clause 49, the Board at its meeting on 30<sup>th</sup> May 2014 adopted a revised Code of Conduct for all Directors and Senior Management of the Company and the same has been placed on the Company's website [www.devkileasing.com](http://www.devkileasing.com)

All Directors and Senior Management personnel have affirmed compliance with the new Code for 2014-15. A declaration to this effect signed by the Managing Director is given in this Annual Report.

**5. FORMAL LETTER OF APPOINTMENT TO INDEPENDENT DIRECTORS**

The Company issues a formal letter of appointment to independent directors in the manner as provided in the Companies Act, 2013 and clause 49 of the Listing Agreement. The terms and conditions of appointment of independent directors are placed on the Company's website [www.devkileasing.com](http://www.devkileasing.com)

**6. PERFORMANCE EVALUATION**

A detailed exercise for evaluation of the performance of the Board, its various Committees, viz. Audit Committee, Nomination and Remuneration Committee and Stakeholders' Relationship Committee and also the performance of individual Directors was carried out by the Board

**Criteria for performance evaluation**

The performance of the Board and that of its Committees was evaluated on the basis of various parameters like adequacy of its Composition, Board Culture, No. of meetings held, Execution and Performance of Specific Duties, Obligations and Governance, Participation and contribution etc.

Whereas the evaluation of individual Directors including the independent Directors and that of the Chairman of the Board was on the basis of various factors like their attendance, level of their engagement and contribution at Board/ Committee Meetings, independency of judgment, their contribution in safeguarding the interest of the Company, guidance/ support to the management outside Board/ Committee Meetings etc. In addition, the Chairman was also evaluated on key aspects of his role, including setting the strategic agenda of the Board, encouraging active engagement by all Board members and motivating and providing guidance to the Managing Director.

The Board recorded its satisfaction over the performance of its various Committees, its directors individually as well as the collective efforts put in by the Board in enhancing and safeguarding the interest of the Company as a whole.

**7. FAMILIARISATION PROGRAMME**

The Company shall through its Executive Directors / Senior Managerial Personnel conduct programs / presentations periodically to familiarize the Independent Directors with the strategy, operations and functions of the Company.

The details of familiarisation programme have been posted in the website of the Company under the web link <http://www.devkileasing.com/FamiliarisationProgrammeforIndependentDirectors.pdf>

**8. CODE OF CONDUCT FOR PROHIBITION OF INSIDER TRADING**

The Market Regulator, SEBI with the objective of bringing the basic framework governing the regime of Insider Trading practices in line with the dynamic global scenario and to tighten the gap of existing norms, notified the new PIT Regulations to be renowned as SEBI (Prohibition of Insider Trading) Regulations, 2015 effective from 15th May, 2015.

The new Regulations seem to be more promising and equipped to ensure better compliance and enforcement. SEBI, via new norms has enhanced the role and responsibilities of the Compliance Officer for compliance of policies, procedures, maintenance of records, monitoring adherence to the rules for the preservation of Unpublished Price Sensitive Information and implementation of codes specified in the Regulations.

Accordingly, the Board at its meeting held on 30.03.2015 has substituted its 'Code of Conduct for Prevention of Insider Trading and Code of Corporate Disclosure Practices' by a new "Code of Fair Disclosure" and a "Code of Conduct" in tandem with the aforesaid new Regulations effective from 15.05.2015.

**9. COMMITTEES OF THE BOARD**

**Board has three Committees, viz.**

- a. Audit Committee;
- b. Nomination & Remuneration Committee;
- c. Stakeholder Relationship Committee;

The above said Committees consist of executive and non executive Independent Directors. The quorum for the Meetings is either two directors or one third of the members of the Committee, whichever is higher.

**A. Audit Committee**

As a measure of good Corporate Governance and to provide assistance to the Board of directors and to meet the requirement of section 177 of the Companies Act, 2013 and the Clause 49 of the Listing Agreement and in fulfilling the Board's overall responsibilities, an Audit Committee is functioning consisting of non-executive directors.

**Terms of reference**

Apart from all the matters provided in clause 49 of the listing agreement and section 177 of the Companies Act 2013, the Audit committee reviews reports of the internal auditor, meets statutory auditors as and when required and discusses their findings, suggestions, observations and other related matters.

**Composition**

The Audit Committee comprised of three Directors, out of which all the Directors are Non Executive Directors. All these directors possess knowledge of corporate finance, accounts and company law. The composition of the Audit Committee and the details of meetings attended by its members are given below:

Name	Category	Number of Meetings during the year 2014-15	
		Held	Attended
Mr. Manoj Kumar Singh	Chairman, Non Executive Independent Director	4	4
Mr. Kamlesh Kasliwal	Member, Non Executive Independent Director	4	4
*Mr. Rajesh Khandelwal	Member, Non Executive Independent Director	4	1
*Mrs. Sarita Bindal	Member, Non Executive Promoter Director	4	2

\*Mr. Rajesh Khandelwal has resigned and Mrs. Sarita Bindal has joined the Board of the Company w.e.f. 30.07.2014.

**Meetings**

During the financial year ended 31<sup>st</sup> March, 2015, four Audit Committee Meetings were held and the Dates on which the Said meetings were held are as follows:

**May 30, 2014; July 30, 2014; October 30, 2014, January 30, 2015**

**B. Nomination and Remuneration Committee**

In line with the Companies Act, 2013 / Clause 49 of the Listing Agreement requirements, the nomenclature of Remuneration Committee has been changed to Nomination and Remuneration Committee.

**Terms of reference**

The terms of reference of the Nomination and Remuneration Committee covers all the areas mentioned under Clause 49 of Listing Agreement and section 178 of the Companies Act, 2013. The broad terms of reference includes recommending a policy relating to remuneration and employment terms of Managing Director and senior management personnel, adherence to the remuneration policy as finally approved by the Board of Directors, preparing the criteria and identify persons who may be appointed as directors or senior management.

**Composition**

Your company has formed this committee to consider and approve the remuneration payable to the directors. The Nomination and Remuneration Committee comprised of three Directors, out of which all the Directors are Non Executive Director. The composition of the Nomination and Remuneration Committee and the details of meetings attended by its members are given below:

Name	Category	Number of Meetings during the year 2014-15	
		Held	Attended
Mr. Manoj Kumar Singh	Chairman, Non Executive Independent Director	2	2
Mr. Kamlesh Kasliwal	Member, Non Executive Independent Director	2	2
*Mr. Rajesh Khandelwal	Member, Non Executive Independent Director	2	1
*Mrs. Sarita Bindal	Member, Non Executive Promoter Director	2	1

\*Mr. Rajesh Khandelwal has resigned and Mrs. Sarita Bindal has joined the Board of the Company w.e.f. 30.07.2014.

**Remuneration Policy**

The Board on the recommendation of the Nomination and Remuneration Committee has framed a Remuneration Policy, providing (a) criteria for determining qualifications, positive attributes and independence of directors and (b) a policy on remuneration for directors, key managerial personnel and other employees. The Remuneration Policy is attached as **Annexure II** to the report of Directors.

**Remuneration to Executive Directors**

During the financial year, there were only one director who is in the whole time employment of the company drawing remuneration and this year there was no change in Remuneration payable to him and their remuneration was as follows -

Name of Directors	Designation	Remuneration
Mr. Sudhir Bindal	Managing Director	31,000/- pm

**Payment to non-executive directors**

The Company is not paying any remuneration to the Non-Executive /Independent Directors.

**C. STAKEHOLDERS RELATIONSHIP COMMITTEE**

In line with the Companies Act, 2013 / Clause 49 of the Listing Agreement requirements, the nomenclature of Shareholders Grievance Committee has been changed to Stakeholders Relationship Committee.

**Terms of reference**

With view to review all matters connected with security transfers and transmission, redressal of shareholders/ investor complaints like non-transfer of shares, non-receipt of balance-sheet, non-receipt of dividend, etc., a Stakeholders Relationship Committee has been constituted. This committee oversees the performance of the Registrar & Transfer Agents and Secretary who have been authorised to deal with all these matters, also recommends measures for overall improvement of the quality of investor services.

**Composition**

The Stakeholders Relationship Committee comprised of three Directors, out of which majority of the Directors are Independent Directors. The composition of the Committee is given below:

Name	Category
Mr. Manoj Kumar Singh	Chairman, Non Executive Independent Director
Mr. Sudhir Bindal	Member, Managing Director
Ms. Monika Rizwani	Secretary, Compliance officer

As of March 31, 2015, all requests, complaints, grievances, if any, have been replied to/resolved within the stipulated period and no such matter was pending.

**10. COMPLIANCE OFFICER**

Ms. Monika Rizwani, is the general compliance officer of the company except specifically provided otherwise for specific purposes.

**11. GENERAL BODY MEETING**

Details of the General Meetings held during last three years:

AGM/EGM	Date	Venue	Time
AGM - 2012	29 <sup>th</sup> Sept. 2012	Reg. Off of the Company at Indore	4.00 pm
AGM - 2013	30 <sup>th</sup> Sept. 2013	Reg. Off of the Company at Indore	4.00 pm
AGM - 2014	30 <sup>th</sup> Sept. 2014	Reg. Off of the Company at Indore	10.30 am

Details of Special Businesses Transacted in last three years General Meetings are as under:

AGM/EGM	Date	Special Business Transacted
AGM	29 <sup>th</sup> Sept. 2012	No Special Business was transacted
AGM	30 <sup>th</sup> Sept. 2013	No Special Business was transacted

AGM	30 <sup>th</sup> Sept. 2014	<ul style="list-style-type: none"> <li>• Re-appointment of Mr. Sudhir Bindal as Managing Director</li> <li>• Appointment of Mr. Manoj Kumar Singh as an Independent Director</li> <li>• Appointment of Mr. Kamlesh Kasliwal as an Independent Director</li> </ul>
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**Postal Ballot:**

For the year ended March 31, 2015 there have been no ordinary or special resolutions passed by the Company's Shareholders through postal ballot.

**12. NOTE ON DIRECTORS APPOINTMENT / RE-APPOINTMENT**

Mr. Sudhir Bindal, Managing Director of the Company, retire by rotation and being eligible offer himself for re-appointment at the forthcoming Annual General Meeting.

**13. OTHER DISCLOSURES**

**i. Related Party Transactions**

Details of all material transactions with related parties have been disclosed in the notes to the Accounts in the financial statements of the company.

**ii. Compliance by the Company**

There has not been any non-compliance by the company and no penalties or strictures imposed on the company by the Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets, during the last three years.

**iii. Whistle Blower/Vigil Mechanism Policy:**

The Company has in place Whistle Blower/Vigil Mechanism Policy which is also available on the Company's website [www.devkileasing.com](http://www.devkileasing.com). No personnel has been denied access to the Audit Committee to lodge their grievances

**iv. Compliance with mandatory requirements**

The Company is in full compliance with the mandatory requirements as contained in Clause 49 of the Listing Agreement. The Company has not adopted any of the non-mandatory requirements of clause 49 of the listing agreement.

**v. Disclosure of Accounting Treatment**

The company is following the Accounting Standards as applicable to the company.

**vi. Anti Sexual**

The Company has in place an Anti Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. An Internal Complaints Committee has been set up to redress complaints received regarding sexual harassment. During the year no complaints of sexual harassment were received.

**14. MEANS OF COMMUNICATION**

i. The Board of Directors of the Company approves and takes on record the quarterly, half yearly and yearly financial results in the Performa prescribed by Clause 41 of the Listing Agreement within one month of the end of the respective period.

- ii. The Quarterly/ Half yearly/ Annual Results of the Company are published in accordance with the Stock Exchange Listing Agreement in newspapers viz. **"Free Press", (English) and "Chhottha Sansar" (Hindi).**
- iii. The Company's website contains a section "Investor" which displays details / information of interest to various stakeholders.

**15. SHAREHOLDER INFORMATION**

**a. AGM**

23rd AGM of the Company will be held on 29<sup>th</sup> day of September, 2015 at 1.30 PM at the Registered Office of the Company.

**b. Financial Calendar**

**(Tentative)**

Results for the quarter ending 30<sup>th</sup> June, 2015 : Last week of July 2015  
 Results for the quarter ending 30<sup>th</sup> Sept, 2015 : Last week of Oct. 2015  
 Results for the quarter ending 31<sup>st</sup> Dec, 2015 : Last week of Jan. 2015  
 Results for the quarter ending 31<sup>st</sup> Mar, 2016 : Last week of May 2016

**c. DATES OF BOOK CLOSURE**

25<sup>th</sup> September, 2015 to 29<sup>th</sup> September, 2015 (both the days inclusive).

**d. Dividend**

Not declared for the financial year.

**e. Listing**

The equity shares of the Company are listed at BSE Limited and Madhya Pradesh Stock Exchange Limited. However Madhya Pradesh Stock Exchange Limited (MPSE) was de- recognized by SEBI vide its exit order no. PR No. 154/2015 dated June 9, 2015.

At present the Equity shares of the company are listed with the BSE Limited and the listing fee for the year 2015-16 has been duly paid.

**f. Stock Code**

The Company has Scrip Code: - 530765

**g. ISINNO**

The Company has got the ISIN NO: INE 510B01018 (both CDSL and NSDL)

**h. STOCK MARKET DATA: Quotes of the Company traded at BSE**

**Table 1: Monthly highs and lows Quotes at the BSE, 2013-14**

Year	High(Rs.)	Low(Rs.)	Close(Rs.)
Mar 2015	2.78	2.28	2.30
Feb 2015	2.47	2.47	2.47
Jan 2015	2.36	2.26	2.36
Dec 2014	2.26	2.06	2.26
Nov 2014	2.50	2.14	2.27
Oct 2014	2.12	2.12	2.12
Sep 2014	2.45	2.23	2.23
Aug 2014	2.62	2.47	2.47
Jul 2014	2.48	1.86	2.48
Jun 2014	1.78	1.14	1.78
May 2014	1.42	1.26	1.26
Apr 2014	1.42	1.42	1.42

**i. REGISTRARS AND SHARE TRANSFER AGENTS**

Link Intime India Pvt Ltd.

C-13, Pannalala Silk Mills Compound, LBS Marg, Bhandup, MUMBAI

Tel : 022- 25946970, Fax : 022-25946969, E Mail : [rnthelpdesk@linkintime.co.in](mailto:rnthelpdesk@linkintime.co.in)

**j. SHARE TRANSFER SYSTEM**

Share Transfers are registered and returned/Demat confirmed within 30 days from the date of receipt, if the documents are in order in all respects. The share transfer committee of the Board of Directors of the Company meets frequently to approve the transfer of shares.



**k. Distribution of shareholding as on 31st March, 2015**

SHAREHOLDING OF NOMINAL SHARES			NUMBER OF SHAREHOLDERS	PERCENTAGE OF TOTAL	SHARE AMOUNT RS.	PERCENTAGE OF TOTAL
1	—	5000	1167	65.1955	3136230	8.9361
5001	—	10000	323	18.0447	2639760	7.5215
10001	—	20000	153	8.5475	2319640	6.6094
20001	—	30000	47	2.6257	1235830	3.5213
30001	—	40000	30	1.6760	1087770	3.0994
40001	—	50000	10	0.5587	469400	1.3375
50001	—	100000	21	1.1732	1603970	4.5702
100001	—	*****	39	2.1788	22603400	64.4045
<b>TOTAL</b>			<b>1790</b>	<b>100.0000</b>	<b>35096000</b>	<b>100.0000</b>

**l. SHAREHOLDING PATTERN AS ON 31-03-2015**

S. NO.	CATEGORY	NO. OF SHARES HELD	PERCENTAGE OF SHAREHOLDING
1.	Promoters & Promoter Group	1352745	38.54
2.	Private Corporate Bodies	34,14,81	9.73
3.	Indian Public	1810174	51.58
4.	NRI/OCBs	5200	0.15
<b>TOTAL</b>		<b>35,09,600</b>	<b>100.00</b>

**m. DEMATERIALIZATION OF SHARES**

CATEGORY	NO. OF SHARES	PERCENTAGE
Total number of Dematted shares with NSDL	1701246	48.47%
Total number of Dematted shares with CDSL	352034	10.03%
<b>TOTAL</b>	<b>2053280</b>	<b>58.5%</b>

**n. Outstanding GDR's/ADR's/Warrant's/Convertible instruments and their impact on equity- NIL**

**o. REGISTERED OFFICE & PLANT LOCATION**

"Velocity", 18-A Scheme No 94C, Ring Road  
Indore-452010, Madhya Pradesh, Tel: 0731-4735510 Fax:  
dlfindore@gmail.com, [www.devkileasing.com](http://www.devkileasing.com)

**DECLARATION**

**Declaration by the Managing Director under Clause 49 of the Listing Agreement regarding adherence to the Code of Conduct**

In accordance with Clause 49 sub-clause I(D) of the Listing Agreement, I hereby declare that all the Directors and Senior Management Personnel of the Company have affirmed compliance with the Code of Conduct applicable to all the Directors and Senior Management, for the year ended March 31, 2015.

**Sudhir Bindal**  
Managing Director

**MD / CFO CERTIFICATION**

To,  
The Board of Directors,  
**DEVKI LEASING & FINANCE LIMITED**  
Indore  
Dear Sirs

- (a) We have reviewed the Balance Sheet, Profit and Loss Account and all its Schedules and Notes on Accounts, as well as the cash flow statement as at 31<sup>st</sup> March 2015 and that to the best of their knowledge and belief:
- i. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - ii. These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) We further certify that, to the best of their knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violate the Company's code of conduct.
- (c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that they have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and they have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which they are aware and the steps they have taken or propose to take to rectify these deficiencies.
- (d) We have indicated to the Auditors and the Audit Committee that there is
- i. No significant change in internal control over financial reporting during the year
  - ii. No significant change in accounting policies during the year under review and
  - iii. No instance of any fraud in the company in which the management has any role.

**Place:** Indore  
**Date:** 10.08.2015

**Muralidharan Pillai**  
Chief Financial officer

**Sudhir Bindal**  
Managing Director

**Annexure – VI**

**MANAGEMENT DISCUSSION & ANALYSIS REPORT**

**INDUSTRY STRUCTURE & DEVELOPMENTS**

The year 2014 - 15 began with several challenges on the macroeconomic front, including rising inflation, dwindling industrial output and a falling rupee. Overall GDP growth in the fiscal settled at around 7.4%, mostly driven by the industry and services sector. A robust banking and financial sector is critical for financing and facilitating higher economic growth. Financial intermediaries like Non-banking finance companies ('NBFCs') have a definite and very important role in the financial sector, particularly in a developing economy like India, where demand for credit is growing fast. The Financial Year 2014-15 is very tough for all the economy, this year under review continued to be a challenging one with subdued growth, high interest rates and dip in both consumer and investment demand affecting most sectors. Banks and financial institutions broadly encompass the framework of the Indian financial system. The rapid rise of financial institutions was facilitated by simplified sanction procedures, flexibility and low-cost of operations. However, tighter liquidity conditions, stringent prudential norms and regulatory changes led to the survival of only a handful of Non-Banking Financial Companies (NBFCs) to partner in the financial inclusion of the country. The situations of the Indian economy will improve by implementation of adequate and corrective measures in both financial and manufacturing sector. A strong government intervention to mitigate these adverse situations and take the economy on a path of steadily growth also can't deny.

**SEGMENT- WISE & PRODUCT – WISE PERFORMANCE**

The Company belongs only to one segment; however, it has been deploying its resources into hire-purchase, securities trading, loans and advances. The Company's management has made regular endeavors for improving operating efficiencies despite of breakdown of financial system globally during the year under review.

**OUTLOOK**

NBFCs are characterized by their ability to provide niche financial services in the Indian economy. Because of their relative organizational flexibility leading to a better response mechanism, they are of tenable to provide tailor-made services relatively faster than banks. FY2014-15' has been a tough year for the NBFC sector as the business has greatly suffered in the subdued environment. Due to subdued economic environment, however, the last two years have been challenging for the NBFC sector with moderation in rate of asset growth, rising delinquencies resulting in higher provisioning thereby impacting profitability.

In the longer term, given India's demographic transition, the country will still be a relatively young nation 20 years from now. This is likely to generate significant volumes of savings and investment over the coming years. The average schooling of the working-age population will also increase by at least one full year and could well rise by as much as two years. In recent months, both inflation as measured by the wholesale price index and the trade deficit have declined. Inflation fell below 6% and core inflation is now within the Reserve Bank of India's (RBI) comfort range.

**OPPORTUNITIES AND THREATS**

The economy all over the world is going through bad phase, the Indian economy, though not affected substantially, has suffered and the opportunities have become limited in all sphere of businesses. The financial market has suffered a lot including the business for NBFC's. The Board expects that the Company will continue to improve its overall performance and excel to enhance the profitability of the Company, in the present economic scenario and growth momentum of Indian economy, via its strategy competency, operational efficiencies. The company is consolidating its position and making its best efforts to realize the maximum from the customers by taking recourse of legal remedies where warranted. It expects a robust growth and enhanced market share on the strength of its existing product portfolio, operational efficiency and enhanced network along with the successful implementation of strategies in future. The business of the company may be affected by increased competition from the local and global players operating in India and regulatory changes. The Company is exposed to all risks & threat which Financial Market & Non Banking Finance Company faces. The company is also facing risk of heavy ups and down in stock market which can be minimize due to risk management system of our company.

**RISK & CONCERN**

Non Banking Finance Companies face competition from each other & from banks as well and many foreign players are also entering in the market. Change in government rules & regulations and change in regulatory policies of Reserve Bank of India may affect the business operations and profitability of company. Company may face risk of deterioration of quality of advances, which may wipe out the profits of company. Substantial activities of the company include trading in shares and securities so profitability of company depends upon vitality of stock market.

**INTERNAL CONTROL SYSTEM AND ITS ADEQUACY**

Internal Control Systems has been designed to provide reasonable assurance that assets are safeguarded, transactions are executed in accordance's with management's authorization and properly recorded and accounting records are adequate for preparation of financial statements and other financial information. Internal check is conducted on a periodical basis to ascertain the adequacy and effectiveness of internal control systems. The management has put in place internal systems for review and monitoring of nonperforming assets of the company and to indicate corrective action for effecting recoveries.

**INDEPENDENT AUDITORS' REPORT**

**TO  
THE MEMBER OF**

**DEVKI LEASING AND FINANCE LIMITED**

**Report on the Financial Statements**

We have audited the accompanying financial statements of Devki Leasing and Finance Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2015, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended and a summary of the significant accounting policies and other explanatory information.

**Management's Responsibility for the Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

**Auditor Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

**Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2015, and its profit and loss and its cash flows for the year ended on that date.

### **Emphasis of Matters**

We draw attention to the following matters in the Notes to the financial statements:

Note No. 25 (b) to the financial statements indicate that the company's policy relating to retirement benefits which are accounted for on payment basis.

Note No. 25 (c) to the financial statements which describe the Non Provision of Interest on Secured Loan from Dena Bank.

Our opinion is not qualified / modified in respect of these matters.

### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies ( Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure a statement on the matter specified in the paragraph 3 and 4 of the Order, to the extent applicable .
2. As required by Section 143 (3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - (e) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - (f) On the basis of the written representations received from the directors as on 31st March, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act
  - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us :
    - (i) The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 25 (c) to the financial statements.
    - (ii) The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts. - Refer Note 29 to the financial statements.
    - (iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

**For A.B.DOSHI & CO.**  
*Chartered Accountants*  
Firm's Registration No. 001577C

**Ashwini Kumar Doshi**  
*Proprietor*  
Membership number 031460

Indore, May 30, 2015

### **Annexure to the Independent Auditors' Report**

The Annexure referred to in paragraph 1 under the heading of "Report on Other Legal and Regulatory Requirement" of our Independent Auditors' Report to the member of the Company on the financial statements for the year ended 31<sup>st</sup> March 2015, we report that :

1. (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.  
(b) All the assets have been physically verified by the management during the year and no material discrepancies were noticed on such verification. In our opinion, the frequency of verification is reasonable.
2. (a) The stock of shares and securities has been physically verified by the management at reasonable intervals during the year. In our opinion the frequency of verification is reasonable.  
(b) In our opinion and according to the information and explanations given to us, the procedure of physical verification of stock of shares & securities followed by the management are reasonable and adequate in relation to the size of the Company and nature of its business.  
(c) The Company has maintained proper records of inventory and the discrepancies noticed on verification between the physical stocks and book records were not material and have been properly dealt with in the books of account.
3. (a) The Company has granted unsecured loans to Two Parties covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act').  
(b) In the case of the loans granted to the Parties covered in the register maintained under section 189 of the Act, the borrowers have been regular in the payment of the interest as stipulated. The term of arrangements do not stipulate any repayment schedule and the loans are repayable on demand. Accordingly, paragraph 3(iii) (b) of the Order is not applicable to the Company in respect of repayment of the principal amount.  
(c) There are no overdue amounts of more than rupees one lakh in respect of the loans granted to the parties covered in the register maintained under section 189 of the Act.
4. In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with size of the Company and the nature of its business with regard to purchase of Inventory and fixed assets and for the services rendered. We have not observed any major weaknesses in the internal controls system during the course of the audit.
5. The Company has not accepted any deposit from the public as governed by the provision of Section 73 to 76 or any other relevant provision of the Companies Act, 2013 and rules framed thereunder.
6. The Central Government has not prescribed the maintenance of cost record under section 148 (1) of the Act, for any of the services rendered by the Company.
7. (a) According to the information and explanation given to us and on the basis of our examination of the record of the company, the company is regular in depositing with the appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, wealth tax, service tax, custom duty, excise duty, Value added tax, cess and other material statutory dues applicable to it.  
(b) According to the information and explanations given to us, there is no undisputed amount payable in respect of income tax, sales tax, wealth tax, service tax, custom duty, excise duty, value added tax and cess were in arrears, as at the last day of the financial year concerned for a period of more than six months from the date they become payable.  
(c) According to the information and explanations given to us, there are no dues of income tax, sales tax, wealth tax, service tax, custom duty, excise duty, and cess, which have not been deposited on account of any dispute.  
(d) According to the information and explanations given to us, No amount was required to be transferred to investor education and protection fund in accordance with the relevant provision of the companies Act.

8. The accumulated losses i.e deficit in the Statement of profit and Loss of the company at the end of the financial year are not less than fifty percent of its net worth and the Company has incurred cash loss in the current financial year and company has incurred cash loss in the immediately preceding financial year .
9. The company has defaulted in repayment of dues to the banks from 01.10.2009 amounting to Rs. 262.8 Lac and same has been declared as Non Performing assets by the bank
10. According to information and explanations given to us, we are of the opinion that the company has not given any guarantee for loans taken by others from banks & other financial institutes
11. According to the information and explanation given to us, the company has not taken any term loan during the year; hence requirement of this clause is not applicable to the company.
12. In our opinion and according to the information and explanations given to us, no fraud on or by the company has been noticed or reported during the course of our audit.

**For A.B.DOSHI & CO.**  
*Chartered Accountants*  
Firm's Registration No. 001577C

**Ashwini Kumar Doshi**  
*Proprietor*  
Membership number 031460

Indore, May 30, 2015

**AUDITORS REPORT ON CORPORATE GOVERNANCE**

To,  
The Members,  
**Devki Leasing and Finance Limited**

We have examined the compliance of conditions of Corporate Governance by Devki Leasing and Finance Limited for the year ended 31<sup>st</sup> March, 2015 as stipulated in Clauses 49 of the Listing Agreement with the Stock Exchanges.

The compliance of the conditions of Corporate Governance is the responsibility of the management. Our examination has been limited to a review of the procedures and implementations thereof adopted by the company for ensuring compliance with the conditions of the Corporate Governance as stipulated in the said clause. It is neither an audit nor an expression of opinion on the financial statements of the company.

In our opinion and to the best of our information and according to the explanations given to us and based on the representations made by the directors and management, we certify that the company has complied with the conditions of Corporate Governance applicable as aforesaid.

As required by the Guidance Note issued by the ICAI, on the basis of information and explanations given to us, we have to state that no investor grievances were pending for a period of one month.

We further state that such compliance is neither an assurance as to the future viability of the company nor of the efficiency or effectiveness with which the management has conducted its affairs.

**For A. B. DOSHI & CO.**  
Chartered Accountants  
Firm Registration No. 001577C

Place: Indore  
Date: May 30, 2015

**Ashwini Kumar Doshi**  
Proprietor  
Membership .No. 031460



**BALANCE SHEET AS AT 31st MARCH 2015**

Particulars	Note No.	As at 31 March 2015 [Rs.]	As at 31 March 2014 [Rs.]
<b>A <u>EQUITY AND LIABILITIES</u></b>			
<b>Shareholders' funds</b>			
(a) Share capital	2	35096000.00	35096000.00
(b) Reserves and surplus	3	-19082581.36	-16788816.72
		16013418.64	18307183.28
<b>Non-current liabilities</b>			
(a) Long-term borrowings	4	26284879.07	26284879.07
(b) Deferred tax liabilities (net)	5	0.00	46382.35
(c) Other long-term liabilities	6	35230.00	35230.00
(d) Long term provisions	7	9135.00	0.00
		26329244.07	26366491.42
<b>Current liabilities</b>			
(a) Other current liabilities	8	211915.80	413430.25
(b) Short-term provisions	9	3748.00	4372.00
		215663.80	417802.25
<b><u>TOTAL</u></b>		42558326.51	45091476.95
<b>B <u>ASSETS</u></b>			
<b>Non-current assets</b>			
(a) Fixed assets			
- Tangible assets	10	644164.36	931747.15
(b) Non-current investments	11	36112000.00	36935000.00
(c) Deferred tax assets (net)	12	63828.65	0.00
(d) Long-term loans and advances	13	3691817.00	70581.62
(e) Other non-current assets	14	592002.42	592002.42
		41103812.43	38529331.19
<b>Current assets</b>			
(a) Inventories	15	32265.00	2588268.12
(b) Cash and Bank equivalents	16	780058.04	1340493.04
(c) Short-term loans and advances	17	642191.04	2633384.60
		1454514.08	6562145.76
<b><u>TOTAL</u></b>		42558326.51	45091476.95
Significant Accounting Policies & Notes on Accounts	1to 34		

As per our report of even date attached

**For and on behalf of the Board**

**FOR A.B.DOSHI & CO.**

Chartered Accountants  
Firm Registration No. 001577C

**Ashwini Kumar Doshi**

Proprietor  
Membership No. 031460

Place : Indore  
Dated : May 30, 2015

**Sudhir Bindal**  
Managing Director

**Manoj Kumar Singh**  
Director

**Muralidharan Pillai**  
Chief Financial Officer

**Monika Rizwani**  
Company Secretary

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH,2015**

<b>Particulars</b>	<b>Note No.</b>	<b>As at 31 March 2015 [Rs.]</b>	<b>As at 31 March 2014 [Rs.]</b>
<b>INCOME</b>			
Revenue from Operations	18	1592986.62	738902.17
Other Income	19	333812.16	21112.57
<b>Total Revenue</b>		<u>1926798.78</u>	<u>760014.74</u>
<b>EXPENDITURE</b>			
Change in Inventories	20	2556003.12	0.00
Employee Benefits Expenses	21	957600.00	1019600.00
Depreciation and amortisation expenses	10	287582.79	224938.81
Provisions and contingencies	22	9135.00	0.00
Other Expenses	23	520453.51	289671.64
<b>Total Expenses</b>		<u>4330774.42</u>	<u>1534210.45</u>
Profit /(Loss) Before Tax		-2403975.64	-774195.71
<b>Tax Expenses</b>			
Current Tax		-	-
Deferred Tax		-110211.00	-58701.80
<b>Profit /(Loss) for the Year</b>		<u>-2293764.64</u>	<u>-715493.91</u>
<b>Earnings per equity share</b>			
Basic and Diluted { in Rs.}	24	-0.65	-0.20
Significant Accounting Policies & Notes on Accounts	1 to 34		

As per our report of even date attached

**FOR A.B.DOSHI & CO.**

Chartered Accountants  
Firm Registration No. 001577C

**Ashwini Kumar Doshi**

Proprietor  
Membership No. 031460

Place : Indore

Dated : May 30, 2015

**For and on behalf of the Board**

**Sudhir Bindal**  
Managing Director

**Manoj Kumar Singh**  
Director

**Muralidharan Pillai**  
Chief Financial Officer

**Monika Rizwani**  
Company Secretary

**CASH FLOW STATEMENT FOR THE YEAR 2014-15**

Particulars	As at 31 March 2015 [Rs.]	As at 31 March 2014 [Rs.]
<b>A: CASH FLOW FROM OPERATING ACTIVITIES</b>		
<b>Net Loss before tax as per Profit and Loss Account</b>	<b>-2403975.64</b>	-774195.71
Adjusted for :		
Depreciation and Amortisation Expenses	<b>287582.79</b>	224938.81
Other Income	<b>-333812.16</b>	-21112.57
	<b>-2450205.01</b>	-570369.47
Operating profit before Working Capital Changes Movement in Working Capital		
Increase/(decrease) in other Long term liabilities	<b>0.00</b>	5015.00
Increase/(decrease) in Long term provision	<b>9135.00</b>	0.00
Increase/(decrease) in other current liabilities	<b>-201514.45</b>	247925.39
Increase/(decrease) in short term provision	<b>-624.00</b>	0.00
Increase/(decrease) in long term loan and advance	<b>-3621235.38</b>	63351.30
Increase/(decrease) in inventories	<b>2556003.12</b>	0.00
Increase/(decrease) in short term loan and advance	<b>1991193.56</b>	-1650128.79
<b>Cash Generated from operations</b>	<b>-1717247.16</b>	-1904206.57
<b>B: CASH FLOW FROM INVESTING ACTIVITIES</b>		
Interest Received	<b>8806.46</b>	14040.03
Proceed from Sale of Investment in equity shares	<b>975000.00</b>	6774.65
Proceed from Sale of Investments in equity Share of Subsidiary Company	<b>998000.00</b>	0.00
Purchase of non current investments	<b>-825000.00</b>	0.00
Dividend	<b>5.70</b>	297.89
Net Cash (used in ) Investing Activities	<b>1156812.16</b>	21112.57
<b>C: CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds From long term borrowings	<b>0.00</b>	-190050.00
Net Cash ( used in)/ from Financing Activities	<b>0.00</b>	-190050.00
<b>Net increase /(decrease) in cash and cash equivalents [A+B+C]</b>	<b>-560435.00</b>	-2073144.00
<b>Opening Balance of Cash and cash equivalents</b>	<b>1340493.04</b>	3413637.04
<b>Closing Balance of Cash and cash equivalents</b>	<b>780058.04</b>	1340493.04

\* The above Cash flow Statement has been prepared under the indirect method as set out in Accounting Standard - 3 on Cash Flow Statement

As per our report of even date attached

**FOR A.B.DOSHI & CO.**

Chartered Accountants  
Firm Registration No. 001577C

**Ashwini Kumar Doshi**

Proprietor  
Membership No. 031460

Place : Indore  
Dated : May 30, 2015

**For and on behalf of the Board**

**Sudhir Bindal**  
Managing Director

**Manoj Kumar Singh**  
Director

**Muralidharan Pillai**  
Chief Financial Officer

**Monika Rizwani**  
Company Secretary

**Notes forming part of the financial statements**

**Note : 2**

**Shareholder's Funds -Share Capital**

Particulars	As at 31 March 2015 [Rs.]	As at 31 March 2014 [Rs.]
<b><u>Authorised</u></b>		
3750000 (Previous Year 3750000 ) Equity Shares of Rs.10/-each	37500000.00	37500000.00
	<u>37500000.00</u>	<u>37500000.00</u>
<b><u>Issued</u></b>		
3509600 (Previous Year 3509600 ) Equity Shares of Rs.10/- each	35096000.00	35096000.00
	<u>35096000.00</u>	<u>35096000.00</u>
<b><u>Subscribed &amp; fully Paid up</u></b>		
3424800 (Previous Year 3424800) Equity Shares of Rs. 10/- each	34248000.00	34248000.00
<b><u>Subscribed but not fully Paid up</u></b>		
84800 (Previous Year 84800 ) Equity Shares of Rs. 10/- each	848000.00	848000.00
	<u>848000.00</u>	<u>848000.00</u>
<b>Total</b>	<u>35096000.00</u>	<u>35096000.00</u>

**2.1 Reconciliation of the number of shares and amount outstanding is set out below :**

Particulars	As at 31 March 2015 [No. of Share ]	As at 31 March 2014 [No. of Share ]
Shares outstanding at the beginning of the year	3509600	3509600
Shares Issued during the year	-	-
Shares bought back during the year	-	-
Shares outstanding at the end of the year	<u>3509600</u>	<u>3509600</u>

**2.3 Terms/rights attached to equity shares**

The company has only one class of equity shares having a par value of Rs.10 per share. Each holder of equity shares is entitled to one vote per share.

In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

**2.4 Disclosure of More than 5% Shareholding**

Name of Shareholder	As at 31 March 2015		As at 31 March 2014	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Jupiter Securities & Proprieties Private Limited	180900	5.15%	180900	5.15%

**2.5 Details of Allotment Money Pending**

Particulars	As at 31 March 2015		As at 31 March 2014	
	No. of Shares held	Amount	No. of Shares held	Amount
Aggregate of calls unpaid				
- by directors	Nil	Nil	Nil	Nil
- by officers	Nil	Nil	Nil	Nil
- by others	84800	577500.00	84800	577500.00

**Notes forming part of the financial statements**

**Note : 3**

<b>Particulars</b>	<b>As at 31 March 2015 [Rs.]</b>	<b>As at 31 March 2014 [Rs.]</b>
<b><u>Reserves and surplus</u></b>		
<b>Statutory Reserve Fund</b>		
As per last Balance Sheet	855703.05	855703.05
<b>Surplus/{Deficit} in Statement of Profit &amp; Loss</b>		
Opening Balance	-17644519.78	-16929025.87
Add : - Deficit for the Year Profit & Loss	-2293764.64	-715493.91
Closing Balance	<u>-19938284.42</u>	<u>-17644519.78</u>
Total [ A+B ]	<u>-19082581.36</u>	<u>-16788816.72</u>

#.Statutory Reserve fund was created as per the direction issued by Reserve bank of India for NBFC's to make provision against standanrd assets .

**Note : 4**

**Long-Term borrowings**

**Secured**

Dena Bank - Cash Credit Account	26284879.07	26284879.07
<b>Total</b>	<u>26284879.07</u>	<u>26284879.07</u>

#.244 Lac of Working capital loan secured against hypothecation of Stock of hire under the Tri party agreement & collateral securities of Immovable property situated at 13-14, RNT Marg Indore & Office at Mumbai owned by relatives of director.

#.Working Capital Loan from Dena Bank has been treated as Long term Borrowing since same is outstanding more then 12 Months and account has been declared as Non Performing Assets by the bank.

#. No Provision for Interest has been made on the secured loan given by the Dena Bank as matter is in litigation and same shall be accounted for on cash basis on settlement of case.

**Note : 5**

**Deferred Tax Liability**

Related to Fixed assets	0.00	46382.35
<b>Total</b>	<u>0.00</u>	<u>46382.35</u>

**Note : 6**

**Other long-Term Liabilities**

Creditor of Expenses	35230.00	35230.00
<b>Total</b>	<u>35230.00</u>	<u>35230.00</u>

**Note : 7**

**Long Term Provisions**

Contingent provisions against standard assets	9135.00	0.00
<b>Total</b>	<u>9135.00</u>	<u>0.00</u>

**Note :8**

**Other current Liabilities**

Creditor of Expenses	130578.59	110756.53
Other Payables #.	81337.21	302673.72
<b>Total</b>	<u>211915.80</u>	<u>413430.25</u>

#. Other Payable includes Book overdraft

**Note : 9**

**Short-term Provisions**

Others	3748.00	4372.00
<b>Total</b>	<u>3748.00</u>	<u>4372.00</u>

**NOTE - "10"- FIXED ASSETS**

Notes forming part of the financial statements for the year ended 31 st March, 2015

Sr. No.	Description	Gross Block				Accumulated Depreciation				Net Block	
		As at 01.04.2013	Additions/Adjustment	Deduction/Adjustments	As at 31.03.2014	As at 01.04.2013	For the Year	Deduction/Adjustments	Upto 31.03.2014	As at 31.03.2014	As at 01.04.2013
	<b>TANGIBLE ASSETS</b>										
	<b>OWN ASSETS</b>										
1	Air Conditioner	14100.00	0.00	0.00	14100.00	6675.48	6719.52	-	13395.00	705.00	7424.52
2	Car	583211.00	0.00	0.00	583211.00	576734.64	0.00	-	576734.64	6476.36	6476.36
3	Furniture & Fixtures	2953676.41	0.00	0.00	2953676.41	2140237.38	250660.03		2390897.41	562779.00	813439.03
4	Office Equipments	1484079.05	0.00	0.00	1484079.05	1379671.81	30203.24	-	1409875.05	74204.00	104407.24
	<b>Total { Rs. }</b>	<b>5035066.46</b>	<b>0.00</b>	<b>0.00</b>	<b>5035066.46</b>	<b>4103319.31</b>	<b>287582.79</b>	<b>-</b>	<b>4390902.10</b>	<b>644164.36</b>	<b>931747.15</b>
	<b>Previous Year</b>	5035066.46	0.00	0.00	5035066.46	3878380.51	224938.81	-	4103319.31	931747.15	1156685.96

**Note :11**

**Non -Current Investments**

{ Long Term Investments }

**Trade Investment**

**In Equity Share of Subsidiary Companies -**

**Unquoted , fully paid up - Face Value Rs. 10 each**

99800	- Devki cyber Securities Private Limited	0.00	998000.00
{99800}	of Rs.10 each		
		<u>0.00</u>	<u>998000.00</u>

**Total Trade Investment- [A]**

**Other Investment**

**In Equity Share - Unquoted , fully paid up - Face Value Rs. 10 each**

450000	Velocity Private Limited		
(450000)	of Rs. 10 each	4500000.00	4500000.00
48000	Velocity Private Limited		
(48000)	of Rs. 22 each	1056000.00	1056000.00
156000	Velocity Private Limited		
(156000)	of Rs. 27 each	4212000.00	4212000.00
202500	Velocity Private Limited		
(202500)	of Rs. 30 each	6075000.00	6075000.00
16500	Velocity Private Limited		
-	of Rs. 50 each	825000	0.00
200000	- Design Finance Limited		
(200000)	of Rs. 10 each	2000000.00	2000000.00
85000	P.J. Credit Capital Limited		
(150000)	of Rs. 10 each	850000.00	1500000.00
30000	Brahma Builders Limited		
(30000)	of Rs. 10 each	300000.00	300000.00
19600	Kirti Stock Brokers Pvt. Ltd.		
(19600)	of Rs. 15 each	294000.00	294000.00
40000	Krishna Kripa Holdings Private Ltd.		
(40000)	of Rs. 50 each	2000000.00	2000000.00
150000	Sundrop Securities Pvt Ltd		
(150000)	of Rs. 40 each	6000000.00	6000000.00
50000	Alpine Essence Limited		
(50000)	of Rs. 10 each	500000.00	500000.00
62500	Brahma Builders Private Limited		
(62500)	of Rs. 40 each	2500000.00	2500000.00
125000	Jupiter Securities Pvt Ltd		
(125000)	of Rs. 40 each	5000000.00	5000000.00

**Total Trade Investment [B]** 36112000.00 35937000.00

**Total Non Current Investment [A+B]** 36112000.00 36935000.00

Aggregate amount of unquoted investments 36112000.00 36935000.00

\*\*\*Figure in brackets indicate corresponding figure of Previous year.







Notes forming part of the financial statements

Particulars	As at 31 March 2015 [Rs.]	As at 31 March 2014 [Rs.]
<b>Note : 6.1</b>		
<b>Creditor for Expenses</b>		
Friends Computer Consultancy	28415.00	28415.00
Friends Computer Services	1800.00	1800.00
Anand Ladha & Associates	5015.00	5015.00
<b>Total</b>	35230.00	35230.00
<b>Note : 8.1</b>		
<b>Creditor for Expenses</b>		
A.B. Doshi & Co. - Audit Fee	15140.00	35590.00
A.B. Doshi & Co. - Professional Fee	20000.00	0.00
Atit Bandi - Professional Fee	20000.00	20000.00
Agrawal offset - Printing Expenses	650.00	0.00
Ashish Garg	30000.00	20000.00
Link Intime India Private Ltd.	18829.59	23738.53
Ocean Media Services	20334.00	9708.00
Tax Deducted At Sources	5625.00	1720.00
<b>Total</b>	130578.59	110756.53
<b>Note : 8.2</b>		
<b>Other Payable</b>		
Book Overdraft [ HDFC Bank ]	81337.21	302673.72
<b>Total</b>	81337.21	302673.72
<b>Note : 9.1</b>		
<b>Short-term Provisions- others</b>		
Professional Tax	3748.00	4372.00
<b>Total</b>	3748.00	4372.00
<b>Note : 13.1</b>		
<b>Vehicle Loan to Individuals</b>		
Bajrang Singh Rajput	239583.00	0.00
Bhanwar Lal Sahu	187500.00	0.00
Dinesh Jamuniya	266664.00	0.00
Ganesh Prajapat	225000.00	0.00
Gopal Prasad Sahu	150002.00	0.00
Harisingh Tailor	407292.00	0.00
HDFC Bank Ltd	222675.00	0.00
Hema Gehlod	281250.00	0.00
Jairam Gurjar	374996.00	0.00
Laxmi Narayan Tanwar	359375.00	0.00
Nathusingh Sendhav	383333.00	0.00
Radheshyam Kirar	156247.00	0.00
Saligram Komayu	400000.00	0.00
<b>Total</b>	3653917.00	0.00

Notes forming part of the financial statements

Particulars	As at 31 March 2015 [Rs.]	As at 31 March 2014 [Rs.]
<b>Note : 13.2</b>		
<b><u>Security Deposit</u></b>		
MPEB	12900.00	12900.00
<b>Total</b>	<u>12900.00</u>	<u>12900.00</u>
<b>Note : 13.3</b>		
<b><u>Deposit with Revenu Authorities</u></b>		
Tax Deducted At Sources -2013-14	0.00	32681.62
Tax Deducted At Sources -2012-13	0.00	0.00
<b>Total</b>	<u>0.00</u>	<u>32681.62</u>
<b>Note : 13.4</b>		
<b><u>Advance for capital Assets</u></b>		
Peugeot -309 Booking Advance	25000.00	25000.00
<b>Total</b>	<u>25000.00</u>	<u>25000.00</u>
<b>Note : 14.1</b>		
<b><u>Long Term Trade Receivables</u></b>		
SGK Commodity Private Limited	14502.42	14502.42
<b>Total</b>	<u>14502.42</u>	<u>14502.42</u>
<b>Note : 17.1</b>		
<b><u>Loan and Advance to Related Parties</u></b>		
Sudhir Bindal	635668.00	2537000.00
<b>Total</b>	<u>635668.00</u>	<u>2537000.00</u>
<b>Note : 17.2</b>		
<b><u>Deposit with Revenu Authorities</u></b>		
Tax Deducted At Sources -2014-15	6197.20	0.00
Tax Deducted At Sources -2012-13	0.00	96032.92
Tax Deducted At Sources -2011-12	0.00	0.00
<b>Total</b>	<u>6197.20</u>	<u>96032.92</u>
<b>Note : 17.3</b>		
<b><u>Others</u></b>		
<b><u>Advance for Expenes</u></b>		
Motilal Oswal Securities Ltd.	325.84	351.68
<b>Total</b>	<u>325.84</u>	<u>351.68</u>

**STATEMENT OF DEFERRED TAX LIABILITY/ASSET CALCULATION FOR THE YEAR**

<b>SR.</b>	<b>PARTICULARS</b>	<b>AMOUNT 31.03.2015</b>	<b>AMOUNT 31.03.2014</b>	<b>AMOUNT 31.03.2013</b>	<b>AMOUNT 31.03.2012</b>	<b>AMOUNT 31.03.2011</b>
I)	<b><u>DEFERRED TAX LIABILITY</u></b>					
1	<b>DIFFERENCE DUE TO DEPRECIATION</b>					
	W.D.V. AS PER BOOKS OF ACCOUNTS	644164.36	931747.15	1156685.95	1,381,624.76	1,381,624.76
	W.D.V. AS PER INCOME TAX	1000833.00	1121811.62	1258717.00	1,414,907.00	1,596,105.00
	<b>TOTAL DIFFERENCE OF W.D.V.</b>	<b>-356668.64</b>	<b>-190064.47</b>	<b>-102031.06</b>	<b>(33,282.24)</b>	<b>(214,480.24)</b>
2	<b>TOTAL OF 1</b>	<b>-356668.64</b>	<b>-190064.47</b>	<b>-102031.06</b>	<b>(33,282.24)</b>	<b>(214,480.24)</b>
	<b><u>LESS:-</u></b>					
	<b>DISALLOWNCES AS PER I.TAX</b>	<b>0.00</b>	<b>91.00</b>	<b>13</b>	<b>213.00</b>	<b>102.00</b>
	<b>TOTAL EXPENSES DUE TO TIMING</b>					
	<b>DIFFERENCE (B)</b>	<b>-356668.64</b>	<b>-189973.47</b>	<b>(102,018.06)</b>	<b>(33,069.24)</b>	<b>(214,378.24)</b>
	<b>NET TIMING DIFFERENCES</b>					
	<b>LIABILITIES (A) - (B)</b>	<b>-356668.64</b>	<b>-189973.47</b>	<b>-102018.06</b>	<b>-33069.24</b>	<b>-214378.24</b>
	TAX @ 30%	-107001.00	-56992.04	-30605.42	-9920.77	-64313.47
	EDUCATION CESS @ 2%	-2140.00	-1139.84	-612.11	-198.42	-1286.27
	SECONDRY & HIGHER EDUCATIION CESS @ 1%	-1070.00	-569.92	-306.05	-99.21	-643.13
	<b>TOTAL TAX</b>	<b>-110211.00</b>	<b>-58701.80</b>	<b>-31523.57899</b>	<b>(10,218.40)</b>	<b>(66,242.88)</b>
II)	<b><u>DEFERRED TAX ASSET</u></b>					
1	Carry Forward Losses as per Income Tax (Unabsorbed depreciation & business loss)				16344591.00	12274606
	<b>TIMING DIFFERENCES ASSETS</b>					
	TAX @ 30%				4903377.30	3682381.8
	EDUCATION CESS @ 2%				98067.55	73647.636
	SECONDRY & HIGHER EDUCATIION CESS @ 1%				49033.77	36823.818
	<b>TOTAL TAX</b>				<b>5050478.62</b>	<b>3792853.254</b>
	<b>Net Deferred Tax Liability (I-II)</b>				<b>(5,050,478.62)</b>	<b>3,726,610.38</b>
	<b>DTA FOR THE YEAR</b>					

**DEVKI LEASING AND FINANCE LIMITED**

**NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2015**

**1. SIGNIFICANT ACCOUNTING POLICIES**

**1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS**

These financial statements have been prepared to comply with Generally Accepted Accounting Principles in India (Indian GAAP), including the Accounting Standards notified under the relevant provisions of the Companies Act, 2013.

The accompanying financial statement have been prepared under the historical cost convention, going concern and on the accrual basis of accounting in accordance with the provisions of the Companies Act, 2013 & comply with the accounting standards issued by the Institute of Chartered Accountants of India to the extent applicable.

**1.2 ACCOUNTING ESTIMATES**

The preparation of the financial statements in accordance with generally accepted accounting principles often requires that Company officials makes estimates & assumption that affect the reported amount of Assets & Liabilities and disclosure of contingent Assets and liabilities as on the date of financial statement & the reported amounts of revenue & expenses. During the reported period Company officials believes that the estimates used in the preparation of the financial statement are prudent & reasonable, actual results could differ from these estimates.

**1.3 FIXED ASSETS**

Fixed assets are stated at cost less accumulated depreciation.

**1.4 DEPRECIATION**

Depreciation on fixed assets have been provided on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013.

**1.5 INVENTORIES**

Inventories are valued at cost or net realizable value, whichever is lower. The cost in respect of the various items of inventory is computed as under.

- **Hire purchase Stock:** At Cost Plus total finance charges and reduced by the installments, which have matured during the relevant period and un-matured finance charges.

The company has filed legal suits against some defaulters, which are classified as non-performing assets as per Reserve Bank of India's guidelines, and provisions for the same are being made in the accounts. However, during the year few of suits filed cases are written –off considering the bleak possibility of their recovery. Any recovery made in the future shall be properly accounted for as receipt.

- **Stock in trade:** The Securities acquired with the intention of short term holding and trading positions are considered as stock in trade. Securities held as stock in trade are valued at cost or net realizable value, whichever is lower.

**1.6 REVENUE RECOGNITION**

Revenue is recognized only when it can be reliably measured and it is reasonable to expect ultimate collection.. Interest Income is recognized on time proportion basis taking into account the amount outstanding and rate applicable.

**1.7 TAXES ON INCOME**

Tax expenses comprises of Current tax and deferred tax. Current Tax Provision, if any, has been made on the basis of reliefs and deduction available under the Income- Tax Act, 1961. Deferred tax resulting from "timing difference" between taxable and accounting income is accounted for using the tax rates and laws that are enacted or substantively enacted as on the Balance Sheet date. The deferred tax assets is recognised and carried forward only to the extent that there is a reasonable certainty that the assets can be realised in future. However, where there is unabsorbed depreciation or carry forward losses under taxation laws, deferred tax assets are recognized only if there is virtual certainty of realisation of such assets. Deferred tax assets are reviewed as at each Balance Sheet date.

**1.8 RETIREMENT BENEFITS**

The company has not provided for gratuity, privilege leave and other retirement benefits as the company follows the practice of accounting for the retirement benefits as and when paid.

**1.9. CONSISTENCY:**

These Financial statements have been prepared on basis consistent with previous years and accounting policies not specifically referred hereto are consistent with generally accepted accounting principles.

**1.10. IMPAIRMENT OF ASSETS:**

In accordance with the Accounting Standard (As-28 ) in " Impairment of Assets " issued by The Institute of Chartered accountants of India , during the year the company has reassessed its fixed assets and is of the view that no further impairment / reversal is considered to be necessary in view of its expected realizable.

**1.11. SEGMENTAL REPORTING:**

Being the company having only one line of operation and working in a single geographical area and in accordance with the provisions of AS -17, the company has only one reportable segment consisting of its finance operation. Hence segmental report is not furnished.

**1.12. INVESTMENTS**

Investments that are intended to be held for more than a year, from the date of acquisition, are classified as long term investments and are carried at cost. Provision for diminution in the value of long term investments is made only if such a decline is other than temporary.

**25. CONTINGENT LIABILITIES**

- (a) Contingent liability that may arise due to delayed / non-compliance of certain fiscal statutes amount unascertainable.
  - (b) The company has not provided for gratuity , privilege leave and other retirement benefits as the company has follows the practice of accounting for the retirement benefits as and when paid. This not in accordance with accounting standards -15 issued by the Institute of Chartered Accountants of India. The extent of non compliance in value is not ascertainable and material.
  - (c) Secured Loan given by Dena Bank has been declaring Non Performing Assets by the bank and the matter is in litigation. Due to uncertainty related to the outcome of lawsuit, No Provision for Interest has been made on the Secured Loan which resulting in Loss for the year and liability being understated to the extent of said amount of interest.
26. Balance of Sundry Debtors, Sundry Creditors, Trade Deposit, Loans & Advances and others are subject to confirmation. However, in the opinion of the management these accounts will fetch the amount as stated in the books of account on realisation in the ordinary course of business.
27. No impairment loss has been booked in the books of accounts due to recoverable amount (higher of an asset's net selling price and its value in use) is higher than carrying amount of asset as per the Directors of company.
28. In the opinion of the management and to the best of their knowledge and belief, the aggregate value of the current assets and loans & advances, on realization in the ordinary course of business, will not be less than the amount at which they are stated in the balance sheet.
29. The Company has generally complied with the direction issued by Reserve Bank of India and provisions of section 73 of the Companies Act, 2013. The policy of provisioning for Non – performing Loans and Advances has been decided by the management considering prudential norms prescribe by the Reserve Bank of India
30. Quantitative Details of Equity Shares held by company during the year

Particulars	Current Year (2014-2015)		Previous Year (2013-2014)	
	Shares	Value Rs.	Shares	Value Rs.
Opening Stock	2149800	2588268.12	2149800	2588268.12
Shares Sales	2130000	1007488.00	0.00	0.00
Shares Purchased	0.00	0.00	0.00	0.00
Closing Stock	19800	32265.00	2149800	2588268.12

**NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2015 [CONTD.]**

31. Related Party Disclosures have been set out as below. The related parties, as defined by Accounting Standard 18 related party disclosure, issued by Institute of chartered Accountants of India In respect of which the disclosures have been made, have been identified on the basis of information available with the company.

Name of related party	Nature of relationship	Nature of transaction	As at 31 <sup>st</sup> March 2015 [Rs.]		As at 31 <sup>st</sup> March 2014 [Rs.]	
			Transaction Value	Outstanding amounts carried in the Balance Sheet	Transaction Value	Outstanding amounts carried in the Balance Sheet
Sudhir Bindal	Key Management Personnel	Remuneration	Rs. 372000/-	-	Rs. 372000/-	-
		Interest Received	Rs. 108193/-	-	Rs. 100475/-	-
		Loan Received back	Rs. 2110000/-	-	Rs. 168000/-	-
		Loan Granted	Rs. 108193/-	Rs. 635668/-	Rs.1850000/-	Rs.2537000/-
Bharat Bindal	Relatives of Key management Personnel	Sale of Shares# [33000 Equity Shares @ 10/-]	Rs. 330000/-	-	-	-
Anju Bindal	Relatives of Key management Personnel	Sale of Shares# [ 33400 Equity Shares @ 10/-]	Rs. 334000/-	-	-	-
Shweta Bindal	Relatives of Key management Personnel	Sale of Shares# [33400/-Equity Shares @ 10/-]	Rs. 334000/-	-	-	-
Yashveer Bindal	Relatives of Key management Personnel	Loan Granted	Rs. 400000/-	-	-	-
		Loan Received back	Rs. 400000/-	-	-	-
Devki Cyber Securities Pvt. Ltd	Subsidiary Company	Repayment of Loan	-	-	Rs. 190050/-	-

#. Devki Cyber Securities Private Limited –Subsidiary Company

32. During the year Devki Leasing and finance Limited, the parent company had sold 99800/- equity shares of its subsidiary Devki Cyber Securities Private Limited which comprised 99.8% holding of subsidiary company, To this effect company ceases status of holding company and accordingly consolidate financial statement has not been prepared.

33. Previous year figures have been reworked, recast/re-stated to confirm to the classification of the Current year.

**FOR A.B.DOSHI & CO.**

Chartered Accountants  
Firm Registration No. 001577C

**Ashwini Kumar Doshi**

Proprietor  
Membership Number 031460

Indore, May 30, 2015

**For and on behalf of the Board**

**Sudhir Bindal**  
Managing Director

**Muralidharan Pillai**  
Chief Financial Officer

**Manoj Kumar Singh**  
Director

**Monika Rizwani**  
Company Secretary

**DEVKI LEASING AND FINANCE LIMITED**  
**REG off: "VELOCITY", 18-A Scheme No 94 C, Ring Road, Indore (M.P.) 452010**  
**CIN: L65921MP1993PLC007522**  
**Email ID- dflindore@gmail.com** Phone no. - 0731-4735555

**PROXY FORM**

Form No. MGT-11

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

CIN : **L65921MP1993PLC007522**  
 Name of the Company : Devki Leasing And Finance Limited  
 Registered office : "VELOCITY", 18-A Scheme No 94 C, Ring Road, Indore (M.P.) 452010  
 Name of the member (s) : \_\_\_\_\_  
 Registered address : \_\_\_\_\_  
 E-mail ID : \_\_\_\_\_  
 Folio No/ Client ID/DP ID : \_\_\_\_\_

I/We, being the member(s) of \_\_\_\_\_ shares of the above named company, hereby appoint:

Name	:	
Address	:	
E-mail Id	:	or failing him

Name	:	
Address	:	
E-mail Id	:	or failing him

Name	:	
Address	:	
E-mail Id	:	or failing him

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Twenty Third Annual General Meeting of the Company, to be held on Tuesday, the 29<sup>th</sup> day of September, 2015 at 1:30 PM at the registered office of the company at "VELOCITY", 18-A Scheme No 94 C, Ring Road, Indore (M.P.) 452010, and at any adjournment thereof in respect of such resolutions as are indicated below:

<b>Ordinary Business:</b>	
1.	Receive, consider and adopt the audited Balance Sheet as at March 31, 2015, the Statement of Profit & Loss and the Cash Flow Statement for the financial year ended March 31, 2015 and the Reports of the Board of Directors and Auditors thereon.
2.	Re-appointment of Mr. Sudhir Bindal who retires by rotation
3.	Appointment of Auditors and fixing their remuneration.

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2015

Affix revenue  
Stamp of Rs.1

Signature of shareholder

Signature of Proxy holder(s)

**Note:**

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
2. Notwithstanding the above the Proxies can vote on such other items which may be tabled at the meeting by the shareholders present.

**ATTENDANCE SLIP**  
**23<sup>rd</sup> ANNUAL GENERAL MEETING ON 29<sup>TH</sup> SEPTEMBER 2015.**

R.F. No. \_\_\_\_\_

Mr./Mrs./Miss \_\_\_\_\_

(Shareholders' name in block letters)

I/We certify that I/We am/are registered shareholder / proxy for the registered shareholder of the company.  
I/We hereby record my/our presence at the 23<sup>rd</sup> Annual General meeting of the company at the registered office of the company on 29<sup>th</sup> September, 2015.

(If signed by proxy, his name should be  
Written in block letters)

(Shareholders/proxy's Signature)

**Note :**

1. Shareholders / proxy holders are requested to bring the attendance Slips with them when they come to the meeting and hand over them at the entrance after affixing their signatures on them.
2. If it is intended to appoint a proxy, the form of proxy should be completed and deposited at the Registered Office of the Company at least 48 hours before the Meeting.



Printed Matter

To,

*If undelivered, Please return to :*  
**Devki Leasing and Finance Limited**  
Regd. Office : Velocity Multiplex, 18A, Scheme No. 94-C,  
Ring Road, INDORE - 452 010 (M. P.)

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